



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Report on receivables/payables (Comprehensive Annual Financial Report – June 30, 2003) and provide direction for possible future action by Council related to corrections/changes/reversals.

MEETING DATE: April 26, 2004

PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council receive this report on receivables/payables reported in the June 30, 2003 Comprehensive Annual Financial Report (CAFR) and direct appropriate action be brought back for approval.

BACKGROUND INFORMATION: The following is a line by line explanation of the "Receivables/Payables" in the amount of \$9,102,363 reported on page 40 of the CAFR for June 30, 2003:

1. Of the total reported in the CAFR on page 40, \$6,337,367 was authorized by the City Council by Resolution or motion action. The remaining \$2,764,996 represents receivables from Federal, State or County sources, i.e. Block Grant, TDA, FTA, Measure K, sales tax and property tax. The following is the justification for recording these transactions as presented. A copy of the backup material is attached for your information.
2. In Resolution 99-181, adopted by the City Council meeting on November 17, 1999, the City Council agreed to loan the Redevelopment Agency the amount of \$222,050 (a \$200,000 loan plus \$22,050 from Contingency) plus interest on the loan. Justification for this transaction is included in the Resolution and Cooperation Agreement. The loan was made from the General Fund to the Redevelopment Fund. (copy of Resolution 99-181, Cooperation Agreement, Council Communication and Council minutes from November 17, 1999 are attached)

Recommendation: No action.

3. In a motion action dated May 1, 1991 the City Council voted to loan the "Foundation" the sum of \$170,000 for design of the Hutchins Street Square Auditorium. The Foundation has repaid \$97,000 of this loan. In 1997, the Foundation committed to repay the City the \$10,358,362.09 loan for completion of Hutchins Street Square project. To date, the

APPROVED: _____
H. Dixon Flynn, City Manager

Foundation has paid the City \$1,100,000 cash which has been matched with waivers by the City Council in the amount of \$912,500. The total credit to the Foundation for the loan is \$2,012,500. The former Director of Hutchins Street Square recommended that the remaining balance of the 1991 loan (\$73,000) be waived by the City Council or that the City's "match" be used to waive the loan. (copy of Council Communication and Council minutes for May 1, 1991 are attached)

Recommendation: The remaining balance of the loan for \$73,000 be waived.

4. On March 7, 2001 the City Council approved Resolution 2001-61 for \$1,807,000 for construction of Fire Station #4. Of this amount, the City Council authorized the use of Water and Fire Impact Fees. At that time, the City Council was advised that there were not sufficient funds in the Fire IMF fund for the project and that the City Manager would have to transfer funds from other impact fee accounts for the project in accordance with the City's Municipal Code. Accordingly, funds were transferred from the Water IMF Fund in an amount of \$1,396,764 (current balance) for this project. This transfer of funds is authorized in paragraph 15.64.030 of the City's Municipal Code (copy attached) and in AB 1600 (copy attached). (Copy of Resolution 2001-61, Council Communication, Council minutes of March 7, 2001, paragraph 15.64.030 of the Lodi Municipal Code and AB 1600, in part, are attached).

Recommendation: No action

5. On January 17, 2001 the City Council adopted Resolution 2001-12 for \$7,030,000 for construction of Lower Sacramento Road widening project. Of this amount, \$796,770 was authorized to be paid out of IMF Funds. The current balance of this loan of \$756,770 is reflected in the June 30, 2003 CAFR. The project was programmed in the Regional Streets Impact Fund and funds were loaned from the Parks and Recreation impact fees in accordance with paragraph 15.64.030 of the City's Municipal Code. (copies of Council Resolution 2001-12, Council Communication and Council minutes for January 17, 2001 are attached).

Recommendation: No action

6. On June 30, 2003, the Finance Department recorded a cash transfer from the Street Fund to the General Fund for CDBG projects in the amount of \$582,331. Annually, the City receives an appropriation from the County for Block Grant projects and services. The appropriation is then allocated by the City Council for projects and services. When the projects and services are completed, a claim is submitted to the County for reimbursement. Until the money is reimbursed by the County, the City fronts the cash. This is an entry on June 30th to allocate cash to the Block Grant projects to close the "books" and is reversed on July 1, 2004 to open the "books" for the new year.

The entry made by the Finance Department to transfer cash on June 30th and reversed on July 1st is recommended by the "Audit and Accounting Guide" for State and Local Governments by the American Institute of Certified Public Accountants (AICPA). In paragraph 5.26 of their guide it states: "When one fund has overdrawn its share of an internal investment pool, that fund should report an interfund liability to the fund that the government's management deems to have lent the amount to the overdrawn account".

(copy of AICPA Audit and Accounting Guide for State and Local Governments (GASB 34) and Accounting and Financial Reporting for Nonexchange Transactions are attached)

Recommendation: No action

7. On June 30, 2003 the Finance Department recorded a cash transfer from the Streets Fund in the amount of \$1,345,416 to the General Fund. Like the Block Grant transfer discussed above, this transaction is done to allocate cash to recognize revenues due the City for property tax and sales tax due June 30th, but not received. The City booked \$851,996 in property tax receivable and \$2,125,895.04 in sales tax receivable (page 18 of the Comprehensive Annual Financial Report for June 30, 2003). The sum of the two receivables of \$2,977,891 exceeds the cash transferred amount by \$1,632,475.

The transfer of cash on June 30th and reversed July 1st is recommended by the "Audit and Accounting Guide" for State and Local Government by the AICPA. In paragraph 5.26 of the guide it states: "When one fund has overdrawn its share of an internal investment pool, that fund should report an interfund liability to the fund that the government's management deems to have lent the amount to the overdrawn account". (copy of page 18 of the June 30, 2003 CAFR attached)

Recommendation: No action

8. On July 17, 1996 the City Council approved Resolution 96-95 to authorize an "investment transfer of \$350,000 from the Electric Utility to the General Fund Capital Outlay fund". The Finance Department has booked this transfer from 1996 through June 30, 2003 as a loan in accordance with the past practice of the Department. The balance of the loan reported on June 30, 2003 was \$2,050,000. This should be adjusted to reflect payments received from the Foundation as described in the City Council Communication of July 17, 1996. To date, the Foundation has paid the City \$2,012,500 or 19.43% of the \$10,358,362.09 loan. (copy of Resolution 96-95, Council Communication and Council minutes of July 17, 1996 attached)

Recommendation: Direct the transfer of \$2,050,000 to General Fund Capital and waive the loan to the Electric Utility Fund.

Options:

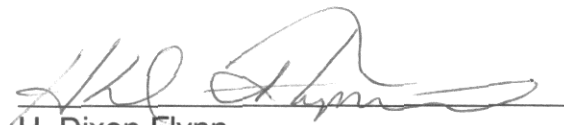
- a. Transfer \$398,315 or 19.43% from the General Fund Capital Account to the Electric Utility Fund leaving a loan balance of \$1,651,685 (\$2,050,000 minus \$398,315); or
- b. Transfer \$2,012,500 from the General Fund Capital Account to the Electric Utility Fund leaving a loan balance of \$37,500 (\$2,050,000 minus \$2,012,500); or
- c. Transfer \$1,100,000 from the General Fund Capital Account to the Electric Utility Fund leaving a loan balance of \$950,000 (\$2,050,000 minus \$1,100,000); or
- d. The City Council could elect to leave the current balance of \$2,050,000 as a receivable/payable until a later date.

9. The transfer to the Transit Fund of \$2,668,962 from the Wastewater and Water Funds is more complicated and requires a separate presentation by the Public Works Director. However, in summary, the loan balance of \$2,668,962 is made up in three parts:
- a. The City has a receivable of \$837,249 for Federal funds which it has not been submitted for approval based on instructions from COG and the Federal Transit Administration. The City was told to not submit this claim until an agreement was reached with the City of Galt on the distribution of FTA funds. A copy of the email is attached.
 - b. Impact fee funds for street projects should be used to reimburse the Transit Fund in the amount of \$442,518.71 for eligible street projects that were funded by the Transit Fund.
 - c. Charges of \$1,389,194.30 to TDA Accounts for street projects should be charged to other street funds and not the Transit Fund. The Transit Fund will be reimbursed from other Street Fund accounts.

Mr. Prima has a separate presentation to explain the issues with TDA/transit/FTA/Gas Tax and Measure K. (copy of Transportation Development Act, in part, attached)

This completes the discussion on "receivables/payables". A copy of cash and fund balances as of June 30, 2003 is attached.

FUNDING: Not applicable



H. Dixon Flynn
City Manager

HDF/sl

Attachments

INTER-FUND TRANSFERS

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RESOLUTION NO. 99-181

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
EXECUTION OF A COOPERATION AGREEMENT BETWEEN THE
CITY AND THE REDEVELOPMENT AGENCY OF THE CITY OF LODI

=====

WHEREAS, the City Council of the City of Lodi, acting pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code §33000 et seq.) has activated the Redevelopment Agency of the City of Lodi (the "Agency") and has declared itself to constitute the Agency by Ordinance No. 1675, adopted on July 7, 1999; and

WHEREAS, pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City; and

WHEREAS, the City and the Agency desire to enter into an agreement in order to:

(1) Set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) Provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it, for and on behalf of the Agency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The "Cooperation Agreement" between the City of Lodi and the Redevelopment Agency of the City of Lodi, in the form attached to this resolution and incorporated herein by reference, is hereby approved, and the Mayor and City Clerk are hereby directed and authorized to execute said Cooperation Agreement on behalf of the City.

Section 2. The City Council hereby appropriates and directs and authorizes the City Finance Director to establish a budget encumbrance for the City's obligations under the Cooperation Agreement in the amount of \$200,000.00.

Dated: November 17, 1999

=====

I hereby certify that Resolution No. 99-181 was passed and adopted by the Lodi City Council in a regular meeting held November 17, 1999 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Mann, Pennino and Land (Mayor)

NOES: COUNCIL MEMBERS – Nakanishi

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


ALICE M. REIMCHE
City Clerk

COOPERATION AGREEMENT

THIS AGREEMENT is entered into as of the 17th day of November, 1999, by and between the CITY OF LODI (herein the "City") and the REDEVELOPMENT AGENCY OF THE CITY OF LODI (herein the "Agency").

Recitals

A. The City Council of the City of Lodi, acting pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code §33000 et seq.), has activated the Agency and has declared itself to constitute the Agency, by Ordinance No. 1675, adopted on July 7, 1999.

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

Agreements

1. The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its functions under the Community Redevelopment Law. Such assistance and services may include the services of officers and employees and special consultants.

2. The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the preparation and implementation of a redevelopment plan, including, but not limited to, the costs of surveys, planning, studies and environmental assessments for the adoption of a redevelopment plan, the costs of acquisition of the property within the project area, demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants as required by law.

3. The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expense attributable to services of City officials, employees and departments rendered for the Agency.

4. The Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to §33670 of the Health and Safety Code or from other sources; provided, however, that the Agency shall have the sole and exclusive right to pledge any such sources of funds to the repayment of other indebtedness incurred by the Agency in carrying out the redevelopment project. The costs of the City under this Agreement will be shown on statements submitted to the Agency pursuant to Section 3 above. Although the parties recognize that payment may not occur for a few years and that repayment may also occur over a period of time, it is the express intent of the parties that the City shall be entitled to repayment of the expenses incurred by the City under this Agreement, consistent with the Agency's financial ability, in order to make the City whole as soon as practically possible.

5. The City agrees to include the Agency within the terms of the City's insurance policy. The Agency shall pay to the City its pro rata share of the costs of insurance applicable to its activities resulting from the Agency's inclusion in the City's policy.

6. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of §33670 et seq. of the Community Redevelopment Law, to be repaid to the City by the Agency with interest at five point four six zero percent (5.460%) per annum.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ATTEST:

CITY OF LODI ("CITY")

City Clerk

By: _____
Mayor

ATTEST:

REDEVELOPMENT AGENCY OF
THE CITY OF LODI ("AGENCY")

Secretary

By: _____
Chair

CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Resolution Authorizing Execution of Cooperation Agreement
Between City of Lodi and the Redevelopment Agency

MEETING DATE: November 17, 1999

PREPARED BY: City Attorney

RECOMMENDATION: That the City Council adopt the Resolution authorizing the execution of the Cooperation Agreement between the City of Lodi and the Redevelopment Agency.

BACKGROUND: On July 7, 1999, the City Council adopted Ordinance 1675. That Ordinance became effective thirty days subsequent to its adoption. At that time the City of Lodi Redevelopment Agency came into being. Since that time staff has been working to bring back to Council a package which would put the Agency into the position of being able to move forward to acquire professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

One of the critical elements of that package is a Cooperation Agreement between the City and the Redevelopment Agency. This is because that at the outset redevelopment agencies begin their program with funding from the parent jurisdiction which in this case is the City. Since redevelopment agencies generate their revenues through tax increments, they do not have that available to them at start up.

The agreement before you is developed based upon the previous budgeting done by the City with the anticipation that it would provide funding for its Redevelopment Agency to use. The agreement recognizes the funding level that the City has established in the current budget. The document as well recognizes that the funds being provided to the agency are a loan and are to be paid back at such time as the agency develops increment. The loan bears an interest rate based upon a number provided by the Finance Director, which is equivalent to the LAIF rate currently applicable to City funds.

The companion item to this Cooperation Agreement is found on the Redevelopment Agency agenda as Item J. That agenda item of the Agency seeks to put in place an agreement for professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

FUNDING: \$222,050

Funding Available: _____

Vicky McAthie
Finance Director

Respectfully submitted,



Randall A. Hays, City Attorney

APPROVED: _____
H. Dixon Flynn -- City Manager

- c) Agenda item #H-3 entitled, "City of Lodi Electric Utility Department Open Access Policy".
(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)

Electric Utility Director Vallow presented a brief report regarding this matter.

Following discussion and questions by the City Council, it was determined that this matter would be placed on the agenda for December 15, 1999.

- d) Agenda item #H-4 entitled, "Resolution authorizing execution of Cooperation Agreement between City and Redevelopment Agency".

City Attorney Hays reported that on July 7, 1999, the City Council adopted Ordinance No. 1675. That Ordinance became effective thirty days subsequent to its adoption. At that time the City of Lodi Redevelopment Agency came into being. Since that time staff has been working to bring back to Council a package which would put the Agency into the position of being able to move forward to acquire professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

One of the critical elements of that package is a Cooperation Agreement between the City and the Redevelopment Agency. This is because that at the outset redevelopment agencies begin their program with funding from the parent jurisdiction which in this case is the City. Since redevelopment agencies generate their revenues through tax increments, they do not have that available to them at start up.

The agreement before Council is developed based upon the previous budgeting done by the City with the anticipation that it would provide funding for its Redevelopment Agency to use. The agreement recognizes the funding level that the City has established in the current budget. The document as well recognizes that the funds being provided to the agency are a loan and are to be paid back at such time as the agency develops increment. The loan bears an interest rate based upon a number provided by the Finance Director, which is equivalent to the LAIF rate currently applicable to City funds.

The companion item to this Cooperation Agreement is found on the Redevelopment Agency agenda as Item J. That agenda item of the Agency seeks to put in place an agreement for professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

Following discussion, the City Council, on motion of Mayor Pro Tempore Mann, Hitchcock second, adopted Resolution No. 99-181 authorizing the execution of the Cooperation Agreement between the City of Lodi and the Redevelopment Agency by the following vote:

Ayes: Council Members – Hitchcock, Mann, Pennino and Land (Mayor)

Noes: Council Members – Nakanishi

Absent: Council Members – None

11. MEETING OF THE REDEVELOPMENT AGENCY

Mayor Land adjourned the City Council meeting at approximately 10:25 p.m. to a meeting of the City of Lodi Redevelopment Agency.

For information regarding this matter, please refer to the minutes of the Redevelopment Agency attached as Exhibit A.

Mayor Land reconvened the City Council meeting at 11:00 p.m.

**MEETING OF THE
CITY OF LODI REDEVELOPMENT AGENCY
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 17, 1999
10:25 P.M.**

EXHIBIT A

1. ROLL CALL

Present: Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)

Absent: Members – None

Also Present: Executive Director Flynn, Deputy City Manager Keeter, General Counsel Hays and Secretary Reimche

2. MEETING OF THE CITY OF LODI REDEVELOPMENT AGENCY

City Attorney Hays reported that on July 7, 1999, the City Council adopted Ordinance No. 1675. That Ordinance became effective thirty days subsequent to its adoption. At that time the City of Lodi Redevelopment Agency came into being. Since that time staff has been working to bring to the Agency a recommendation regarding the acquisition of professional services to assist staff in the development of a redevelopment plan and the necessary environmental documents.

Item B on the agenda is represented by a Resolution, which makes some basic organization statements and names the Mayor and Mayor Pro Tempore as the member officers of the Agency.

Item C on the agenda is presented for adoption by resolution of the Agency. In enacting the resolution, the bylaws of the Agency would be approved. These bylaws are typical bylaws for Redevelopment Agencies. They provide basic operating perimeters relative to meeting times, as well as a meeting place. Also conduct of business is set out relative to agenda form as another example of activity under the bylaws. Additionally, the bylaws provide for compensation to the members. The level of compensation is established by Health and Safety Code §33114.5 and is embodied in that portion of the bylaws titled Compensation. Additionally, those members of staff who function as officers within the corporation are also set forth.

Item D on the agenda is a resolution authorizing the adoption of Personnel Rules and Regulations. The resolution is quite simple in form since the Agency is simply being asked to adopt the City's Personnel Rules and Regulations as it's own. Since City personnel functions as the staff for the Agency, it is a reasonable request so that there are not different rules applying to City staff members when they are functioning as staff for the agency.

Items F and G on the agendas are truly ministerial acts on the part of the Agency in order to address requirements under the statute by which the Agency was formed. The designating of a newspaper of general circulation is simply done in order to make it clear where notices that need to be published by the Agency will in fact be published. Item G authorizing the filing of Statement of Organization is simply done so that a roster of redevelopment agencies can be maintained by the State. Such a filing also notifies the County of the existence of the Agency.

On Item H the Agency is obliged to adopt a Conflict of Interest Code both for the Agency members and for officers and employees. Basically, the Agency is adopting and applying to itself and its officers and employees the Conflict of Interest Code of the City of Lodi. This particular undertaking then cuts down on the number of filings that have to be made since filing under the one Code simply allows you to designate that it is also a filing for the Agency.

Item I on the agenda is the first time of real substance to be undertaken by the Agency. What has been prepared for the Agency consideration is the execution of the Cooperation Agreement between the Agency and the City. The purpose of this particular agreement is to put the Agency in a position to have funding available to it to begin undertaking its activities. The agreement makes clear that the Agency is receiving a loan from the City and therefore has a debt that is to be repaid to the City at such time as the Agency is able to develop tax increment funds. By the Agency acting, a bilateral agreement is created between the City and the Agency which will provide funding to the Agency.

Item J on the agenda is placed to logically follow the action which the Agency is requested to take on Item I. If the Cooperation Agreement between the City and the Agency is not in place, the Agency will not have the funds available to undertake the Redevelopment Plan work as well as the preparation of the environmental documents associated with such work.

Community Development Director Bartlam provided the following report regarding the professional services agreement with Seifel Associates for Redevelopment Plan and environmental documents.

As the City Council will recall, the Lodi Redevelopment Agency was established earlier this year. The next step in the process of identifying an area for redevelopment purposes is the preparation of a plan. The consultant staff recommends specializes in this type of work and has completed projects similar to ours throughout the State.

Staff prepared a Request for Proposal (RFP) and sent that request to qualified consultants who provide agency services. Two proposals were received and an interview of those firms was conducted. The City Attorney, Community Development Director and Rich Laiblin from the County Administrator's office reviewed the proposals for content and relevant experience. Based on this review and the interview process, it is staffs recommendation to retain Seifel Associates to prepare the necessary documents in order to establish a redevelopment project area.

The contract amount is \$222,050. The Council has budgeted \$200,000 in this year's budget for this work. The additional \$22,050 will come from the Contingency Fund. This entire amount will be repaid to the General Fund from Agency revenues once those are established.

Speaking on the matter was Georgianna Reichelt, 3605 East Louise Avenue, Manteca, who spoke at length in opposition to the formation of a Redevelopment Agency. She indicated that she represents a group that is against redevelopment and stated that they feel redevelopment represents corporate welfare. Ms. Reichelt also presented several publications regarding the subject.

Following discussion, the Agency took the following actions:

- On motion of Chair Land, Mann second, unanimously adopted Resolution No. RDA99-1 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Organizing Said Agency And Naming Officers";
- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-2 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Bylaws For The Redevelopment Agency Of The City Of Lodi And Appointing Officers";
- On motion of Member Hitchcock, Mann second, unanimously adopted Resolution No. RDA99-3 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Personnel Rules And Regulations";
- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-4 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Procedures For The Preparation, Processing And Review Of Environmental Documents";
- On motion of Member Mann, Hitchcock second, unanimously adopted Resolution No. RDA99-5 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Designating The Lodi News Sentinel As A Newspaper Of General Circulation For Publication Of Official Notices";
- On motion of Member Pennino, Mann second, unanimously adopted Resolution No. RDA99-6 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Secretary Of The Agency To File A Statement Of Organization With The Secretary Of State And The County Clerk Of San Joaquin County";

Continued November 17, 1999

- On motion of Member Mann, Hitchcock second, unanimously adopted Resolution No. RDA99-7 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Conflict Of Interest Codes Applicable To Agency Officers And Employees And To The Members Of The Agency Pursuant To The Political Reform Act Of 1974";
- On motion of Member Mann, Hitchcock second, adopted Resolution No. RDA99-8 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Execution Of A Cooperation Agreement With The City Of Lodi" by the vote shown below:

Ayes: Members – Hitchcock, Mann, Pennino and Land (Chair)
Noes: Members – Nakanishi
Absent: Members – None

- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-9 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Executive Director To Execute Professional Services Agreement With Seifel Associates For Redevelopment Plan And Environmental Documents".

3. ADJOURNMENT

There being no further business to come before the Redevelopment Agency, the meeting was adjourned at approximately 11:00 p.m.

ATTEST:

Alice M. Reimche
Secretary



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Consideration of Funding Alternatives for Hutchins Street Square Auditorium

MEETING DATE: May 1, 1991

PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council review the attached sources of funding for the development of the initial design phase of the Hutchins Street Square Auditorium and take action as deemed appropriate.

BACKGROUND INFORMATION: At its regular meeting of April 17, 1991, the City Council heard a request from the Old Lodi Union High School Site Foundation, in the person of Mr. Dennis Bennett, Chairman, that the City Council advance the Foundation the sum of \$170,000 to fund the preparation of preliminary design drawings for the restoration of the auditorium at Hutchins Street Square. In the Council Communication addressing this request in the agenda packet for that meeting, it was noted that the balance in the General Fund Operating Reserve had dipped below the generally accepted minimum level. As such, it is not prudent to tap this reserve fund for this purpose. Therefore, the only remaining source of revenue are those funds already appropriated for Capital Improvement Program projects. It comes down to a priority ranking. The attached list of projects (Exhibit A) illustrates from which projects funds could be made available to satisfy the Foundation's request. The biggest "hit" is on the Municipal Service Center's Administration Building expansion project. There is a need for this expansion or it would not have been included in the recently-adopted Capital Improvement Program. The operative word here is "priority." If the City Council deems it a higher priority to move ahead with the preparation of the preliminary design for the auditorium at this time, there is funding available. However, it is available only at the expense of other projects.

The City Hall addition project appropriation is listed as a possible source of funding, but this is a critical need from both space and handicap accessibility standpoints. It is recommended that this project not be slowed.

APPROVED: _____

THOMAS A. PETERSON
City Manager

CC-1

Consideration of Funding Alternatives for Hutchins Street Square Auditorium
May 1, 1991

The staff will be prepared to answer questions and provide whatever additional information may be requested.

Funding Source: Capital Outlay Reserve

Respectfully submitted,

A handwritten signature in cursive script, reading "Thos. A. Peterson". The signature is written in dark ink and is positioned above the printed name.

Thomas A. Peterson
City Manager

TAP:br

Attachment

CCCOM193/TXTA.07A

FUNDING SOURCES
FOR AUDITORIUM DESIGN
HUTCHINS STREET SQUARE

| | Available Funds | Recommended Reallocation |
|--|--------------------|-----------------------------|
| MSC Covered Storage: | | |
| Sewer Capital | \$ 120,000 | |
| Water Capital | 60,000 | |
| MSC - Administration Building: | | |
| Sewer Capital | 200,000 | \$ 90,000 |
| Water Capital | 100,000 | 45,000 |
| MSC - Garage Expansion: | | |
| Sewer Capital | 60,000 | |
| Electric Capital | 78,000 | |
| Water Capital | 60,000 | |
| Capital Outlay | 13,816 | |
| City Hall Addition | 1,881,473 | |
| Miscellaneous Sanitary Sewer | 10,000 | 5,000 |
| Oversized Water Mains | 10,000 | 5,000 |
| Miscellaneous Water Mains | 9,805 | 5,000 |
| Miscellaneous Storm Drains | 10,000 | 5,000 |
| Kofu Park Lighting | 130,403 | |
| Upgrade Stadium Electric | 135,700 | |
| Hutchins Street Square Music Building Lighting | 3,000 | 3,000 |
| Miscellaneous Sewer Manholes | 13,691 | 5,761 |
| Sewer Taps | 8,138 | 4,000 |
| SPRR Property Acquisition | 2,239 | 2,239 |
| | | ===== |
| | | \$170,000 |

April 1991
CCCOM193/TXTA.07A

CITY OF LODI
SPECIAL ALLOCATION REQUEST

TO: Finance Director

DATE: May 7, 1991

FROM: City Clerk

PROJECT NUMBER: 120.1 - 350.82 - 500

CC-27(e)

Request is made for funds to accomplish the following project which was not included in the current budget:

| <u>Description of Project</u> | <u>Estimated Cost</u> |
|--|-----------------------|
| Funding for the development of the initial design phase of the Hutchins Street Square Auditorium | \$170,000 |

See attachment for funding sources

(If you need more space, use additional sheet and attach to this form)

Date of Approval - 5/1/91

Amount Approved - \$170,000

Council _____ XXXXX

City Manager _____

FUND OR ACCOUNT TO BE CHARGED

Current Budget \$ _____ Prior Year Reserve \$ _____

Contingent Fund \$ _____ General Fund Surplus \$ _____

Capital Outlay Reserve \$ _____ Reimbursable Account \$ _____

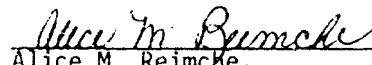
Utility Outlay Reserve \$ _____ Other (Election) \$ _____

Hotel/Motel Tax Reserve -

General Fund Operating Reserve

Account Number


 Robert W. Horn, Finance Director


 Alice M. Reimche,
 City Clerk

Submit this form in duplicate to the Finance Director. Distribution after approval will be as follows: 1) Originating Department 2) Finance Department

| |
|-----------|
| EXHIBIT A |
|-----------|

FUNDING SOURCES
FOR AUDITORIUM DESIGN
HUTCHINS STREET SQUARE

| | Available Funds | Recommended Reallocation |
|--|--------------------|-----------------------------|
| MSC Covered Storage: | | |
| Sewer Capital | \$ 120,000 | |
| Water Capital | 60,000 | |
| MSC - Administration Building: | | |
| Sewer Capital | 200,000 | \$ 90,000 |
| Water Capital | 100,000 | 45,000 |
| MSC - Garage Expansion: | | |
| Sewer Capital | 60,000 | |
| Electric Capital | 78,000 | |
| Water Capital | 60,000 | |
| Capital Outlay | 13,816 | |
| City Hall Addition | 1,881,473 | |
| Miscellaneous Sanitary Sewer | 10,000 | 5,000 |
| Oversized Water Mains | 10,000 | 5,000 |
| Miscellaneous Water Mains | 9,805 | 5,000 |
| Miscellaneous Storm Drains | 10,000 | 5,000 |
| Kofu Park Lighting | 130,403 | |
| Upgrade Stadium Electric | 135,700 | |
| Hutchins Street Square Music Building Lighting | 3,000 | 3,000 |
| Miscellaneous Sewer Manholes | 13,691 | 5,761 |
| Sewer Taps | 8,138 | 4,000 |
| SPRR Property Acquisition | 2,239 | 2,239 |
| | | ===== |
| | | \$170,000 |

April 1991
CCCOM193/TXTA.07A

Continued May 1, 1991

REGULAR CALENDAR

FUNDING APPROVED FOR PREPARATION
OF PRELIMINARY DESIGN FOR HUTCHINS
STREET SQUARE AUDITORIUM

CC-27(e) City Manager Peterson, reminded the City Council that at its regular meeting of April 17, 1991, the City Council heard a request from the Old Lodi Union High School Site Foundation, in the person of Mr. Dennis Bennett, Chairman, that the City Council advance the Foundation the sum of \$170,000 to fund the preparation of preliminary design drawings for the restoration of the auditorium at Hutchins Street Square. In the Council Communication addressing this request in the agenda packet for that meeting, it was noted that the balance in the General Fund Operating Reserve had dipped below the generally accepted minimum level. As such, it is not prudent to tap this reserve fund for this purpose. Therefore, the only remaining source of revenue are those funds already appropriated for Capital Improvement Program projects. It comes down to a priority ranking. The following list of projects illustrates from which projects funds could be made available to satisfy the Foundation's request.

FUNDING SOURCES
FOR AUDITORIUM DESIGN
HUTCHINS STREET SQUARE

| | Available Funds | Recommended |
|--------------------------------|--------------------|-------------|
| Reallocation | | |
| MSC Covered Storage: | | |
| Sewer Capital | \$ 120,000 | |
| Water Capital | 60,000 | |
| MSC - Administration Building: | | |
| Sewer Capital | 200,000 | \$ 90,000 |
| Water Capital | 100,000 | 45,000 |
| MSC - Garage Expansion: | | |
| Sewer Capital | 60,000 | |
| Electric Capital | 78,000 | |
| Water Capital | 60,000 | |
| Capital Outlay | 13,816 | |
| City Hall Addition | 1,881,473 | |
| Miscellaneous Sanitary Sewer | 10,000 | 5,000 |
| Oversized Water Mains | 10,000 | 5,000 |

| | | |
|--|---------|-----------|
| Miscellaneous Water Mains | 9,805 | 5,000 |
| Miscellaneous Storm Drains | 10,000 | 5,000 |
| Kofu Park Lighting | 130,403 | |
| Upgrade Stadium Electric | 135,700 | |
| Hutchins Street Square Music Building Lighting | 3,000 | 3,000 |
| Miscellaneous Sewer Manholes | 13,691 | 5,761 |
| Sewer Taps | 8,138 | 4,000 |
| SPRR Property Acquisition | 2,239 | 2,239 |
| | | ===== |
| | | \$170,000 |

The biggest "hit" is on the Municipal Service Center's Administration Building expansion project. There is a need for this expansion or it would not have been included in the recently-adopted Capital Improvement Program. The operative word here is "priority." If the City Council deems it a higher priority to move ahead with the preparation of the preliminary design for the auditorium at this time, there is funding available. However, it is available only at the expense of other projects.

The City Hall addition project appropriation is listed as a possible source of funding, but this is a critical need from both space and handicap accessibility standpoints. It is recommended that this project not be slowed.

Mr. Ben Schaffer representing the Old Lodi Union High School Site Foundation shared with the Council on how much the community has supported the Foundation, not only in its goals, but also financially. He also informed the Council that the Foundation's debts have either all been paid or have been arranged to be paid.

Following further discussion among Council and staff with questions being directed to Mr. Schaffer, the Council on motion of Mayor Pro Tempore Pinkerton, Pennino second, unanimously approved the funding as recommended by staff (\$170,000) for the preparation of a preliminary design for the Hutchins Street Square Auditorium rehabilitation with the anticipation that these funds will be re-paid by the Foundation as has been done in the past.

RECESS

Mayor Hinchman called for a short recess and Council reconvened at approximately 9:14 p.m.

RESOLUTION NO. 2001-61

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING
THE CONTRACT FOR FIRE STATION #4, 180 NORTH
LOWER SACRAMENTO ROAD, AND FURTHER
APPROPRIATING FUNDS FOR THIS PROJECT

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on February 22, 2001 at 11:00 a.m. for Fire Station #4, 180 North Lower Sacramento Road, described in the specifications therefore approved by the City Council on November 15, 2000; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

| Bidder | Location | Base Bid | Alternate 1 | Alternate 2 |
|-----------------------------------|------------|-------------|-------------|-------------|
| Engineer's Estimate | | \$1,750,000 | | |
| *Trent Construction | Red Bluff | \$1,575,000 | \$18,000 | -\$4,000 |
| **McFadden Construction, Inc. | Stockton | \$1,603,000 | \$ 6,000 | -\$4,000 |
| Tony Coyne, Inc. | Lodi | \$1,628,369 | \$12,548 | -\$3,200 |
| Diede Construction, Inc. | Woodbridge | \$1,746,000 | \$14,000 | -\$4,000 |
| F & H Construction | Stockton | \$1,792,000 | \$ 2,000 | -\$3,000 |
| Bobo Construction, Inc. | Elk Grove | \$1,825,000 | \$20,000 | -\$3,000 |
| American River Construction, Inc. | El Dorado | \$1,836,000 | \$ 5,000 | -\$4,000 |
| Shoemate Buildings, Inc. | Stockton | \$1,966,000 | \$15,900 | \$4,300 |

• Trent Construction discovered a \$194,000 clerical error while compiling a requested Schedule of Values. Upon discovery, they have requested to withdraw their bid. The City of Lodi has allowed the withdrawal of the Trent Construction bid pursuant to Contracts Code §§5103 & 5101(a).

** Did not include Receipt of Addendum form with bid, therefore, bid cannot be accepted and is considered non-responsive.

WHEREAS, the City Manager recommends award of the bid for Fire Station #4, 180 North Lower Sacramento Road, be made to the low bidder, Tony Coyne, Inc., of Lodi, CA, in the amount of \$1,628,369.00, excluding Alternates 1 & 2.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for Fire Station #4, 180 North Lower Sacramento Road, be and the same is hereby awarded to Tony Coyne, Inc., of Lodi, CA, the lowest responsible bidder, in the amount of \$1,628,369.00, excluding Alternates 1 & 2; and

BE IT FURTHER RESOLVED, that funds be appropriated as follows:

| | |
|----------------------------|-----------------------|
| Fire Impact Fee Funds | \$1,644,569.00* |
| Water Impact Fee Funds | \$ 162,431.00 |
| Total Appropriation | \$1,807,000.00 |

***Note: This exceeds the Fire IMF fund balance; interfund borrowing as provided in the IMF ordinance will be done.**

Dated: March 7, 2001

=====

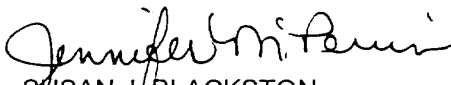
I hereby certify that Resolution No. 2001-61 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 7, 2001, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


for SUSAN J. BLACKSTON
City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Awarding the Contract for Fire Station #4,
180 North Lower Sacramento Road, to Tony Coyne Inc. (\$1,628,369); and Appropriate Funds
for the Project

MEETING DATE: March 7, 2001

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the contract for the above project to
Tony Coyne Inc., of Lodi, in the amount of \$1,628,369; and appropriate funds in
accordance with the recommendation shown below.

BACKGROUND INFORMATION: Plans and specifications for this project were approved on
November 15, 2000. The bid included two alternates: Alternate 1 was to
have stained concrete floor finishes in certain nonpublic areas in lieu of the
specified floor coverings; and Alternate 2 was for deleting an architectural
design element from the building exterior. Staff is recommending that neither alternate be accepted. It was
anticipated they would be cost deductions. Since Alternate 1 is more expensive, staff is not recommending it. Since
Alternate 2 was a slight deduction, given the total cost of the project, it was recommended that this architectural
feature is worth the cost.

The City received the following eight bids for this project:

| Bidder | Location | Base Bid | Alternate 1 | Alternate 2 |
|-----------------------------------|------------|-------------|-------------|-------------|
| Engineer's Estimate | | \$1,750,000 | | |
| Tony Coyne, Inc. | Lodi | \$1,628,369 | \$12,548 | -\$3,200 |
| Diede Construction, Inc. | Woodbridge | \$1,746,000 | \$14,000 | -\$4,000 |
| F & H Construction | Stockton | \$1,792,000 | \$ 2,000 | -\$3,000 |
| Bobo Construction, Inc. | Elk Grove | \$1,825,000 | \$20,000 | -\$3,000 |
| American River Construction, Inc. | El Dorado | \$1,836,000 | \$ 5,000 | -\$4,000 |
| Shoemate Buildings, Inc. | Stockton | \$1,966,000 | \$15,900 | \$4,300 |
| *Trent Construction | Red Bluff | \$1,575,000 | \$18,000 | -\$4,000 |
| **McFadden Construction, Inc. | Stockton | \$1,603,000 | \$ 6,000 | -\$4,000 |

* Trent Construction discovered a \$194,000 clerical error while compiling a requested Schedule of Values.
Upon this discovery, they provided satisfactory documentation of the error and have requested to
withdraw their bid.

** Did not include receipt of addendum form with bid, therefore, bid cannot be accepted.

Requested Appropriation:
Construction Contract \$1,628,369
Contingency (10%) \$ 162,431
Testing & Inspection \$ 16,200
Total Appropriation Requested \$1,807,000

APPROVED: _____

H. Dixon Flynn -- City Manager

Adopt a Resolution Awarding the Contract for Fire Station #4, 180 North Lower Sacramento Road,
to Tony Coyne Inc.(\$1,628,369); and Appropriate Funds for the Project
March 7, 2001
Page 2

FUNDING:

| | |
|------------------------|--------------|
| Fire Impact Fee Funds | \$1,644,569* |
| Water Impact Fee Funds | \$ 162,431 |
| TOTAL | \$1,807,000 |

*This exceeds the Fire IMF fund balance; interfund borrowing as provided in the IMF ordinance will be done.

Bid Opening Date: February 22, 2001

Funding Available:

Nicky R. Gaiete for

Vicky McAthie, Finance Director
Richard C. Prima, Jr.

Richard C. Prima, Jr.
Public Works Director

Prepared by Gary Wiman, Project Manager

RCP/GW/pkh

cc: Randy Hays, City Attorney
Michael Pretz, Fire Chief
Jerry Adams, Police Chief
Rad Bartlam, Community Development Director

In reply to Mayor Nakanishi, Mr. Bartlam reported that the parking structure at Sacramento Street between Pine and Elm Streets was not funded through the City's general fund. Staff obtained funds for the project through Measure K, Transportation Act, and Electric Utility. The parking structure downtown was geared toward relieving congestion of the multi-modal facility. The parking structure at the corner of Church and Elm Streets, adjacent to Fire Station #1, is needed due to the growing parking demand on the west side of the downtown area.

MOTION:

Council Member Land made a motion, Howard second, to authorize the issuance of a request for qualifications (RFQ) for space needs/use and schematic design for the existing Public Safety Building and authorize the City Manager to negotiate a schematic (concept) design contract for the proposed Civic Center parking structure with Watry Design Group of San Mateo.

COUNCIL DISCUSSION:

Council Member Hitchcock stated that she will vote in favor of the design; however, she is not convinced that there is a need for the parking structure at this time and is not necessarily in favor of building it from general fund dollars. She indicated that it appears the City is building the parking lot for the new theater.

Council Member Land emphasized the need for parking in the downtown area.

Mayor Pro Tempore Pennino pointed out that downtown businesses are not required to provide their own parking areas. He suggested that after the budget is approved, a Shirtsleeve Session be scheduled to further discuss the parking structure and downtown parking issues.

Mayor Nakanishi commented that he has received many complaints about parking congestion downtown.

VOTE:

The above motion carried by a unanimous vote.

- H-2 "Adopt resolution awarding the contract for Fire Station #4, 180 N. Lower Sacramento Road, to Tony Coyne, Inc. (\$1,628,369); and appropriate funds for the project"

City Engineer Sandelin reported that eight bids were received for Fire Station #4 and two were disqualified. There were two alternate items, each of which staff expected a deduction from the contract bid. The first alternate dealt with concrete finishes; however, they did not get a deduction and consequently staff is not recommending that Council approve the item as included in the bid. The second alternate was to delete some architectural features on the building. The deduction was not substantial enough in size that staff felt it was appropriate to remove those architectural features. By not approving alternates one or two in the bid, staff recommends that Council accept the base bid of \$1.28 million for Fire Station #4.

Mayor Pro Tempore Pennino pointed out that Council has not yet seen renderings of the Fire Station.

RECESS

At 8:33 p.m., Mayor Nakanishi called for a recess and the City Council meeting reconvened at 8:40 p.m.

REGULAR CALENDAR (Continued)

H-2 A model of Fire Station #4 was displayed for Council and described by a Fire
(Cont'd.) Department representative.

MOTION / VOTE:

The City Council, on motion of Council Member Land, Howard second, unanimously adopted Resolution No. 2001-61 awarding the contract for Fire Station #4, 180 N. Lower Sacramento Road, to Tony Coyne Inc., of Lodi, in the amount of \$1,628,369; and appropriated funds in accordance with staff recommendation.

Council Member Hitchcock noted that the staff report indicates that there were insufficient impact fees for the structure.

In reply to questions by Council Member Hitchcock, City Manager Flynn reported that in total there were sufficient impact fees to pay for the structure; however, the cash balance in the one particular account was only \$144,000. He suspected the discrepancy was due to allocation.

E-6 "Authorize the City Manager to execute a professional services agreement with SNG & Associates, Inc., to provide professional staff support services for the Development Services Section of the Public Works Department"

Council Member Hitchcock questioned whether there is an ongoing need for personnel that is being filled by contract services.

City Manager Flynn replied that the Department is experiencing extraordinary growth right now in terms of development, but he anticipates it will eventually slow down.

City Engineer Sandelin explained that SNG & Associates will be preparing agreements for two specific development projects.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Pennino, Hitchcock second, unanimously authorized the City Manager to execute a professional services agreement with SNG & Associates Inc. to provide professional staff support services for the Development Services Section of the Public Works Department on an as-needed basis.

E-11 "Authorize an increase of \$3,000 to Council Member Hitchcock's Travel and Business Expense account from the contingency fund for the purpose of representing the City on various commissions, state policy and national committees"

In reply to Council Member Howard, Ms. Hitchcock reported that at the last League of California Cities Environmental Quality Committee meeting she was the only member that spoke up to support municipal utilities. The result of that meeting was that a policy was adopted which stated that the League would not support any legislation that was harmful to cities that had municipal utilities. Also, she consulted Electric Utility Director Vallow as to the effectiveness of serving as an alternate member to the Northern California Power Agency (NCPA) at the national level. He assured her that it would be beneficial to attend the meetings and remain knowledgeable about impacts of potential legislation.

Mayor Pro Tempore Pennino supported Ms. Hitchcock's request and encouraged all Council Members to get involved with the League at the local or national level.

Council Member Land agreed that it takes a great deal of time and money to attend meetings and serve on committees. He noted that he has served on the League of California Cities and currently serves on the San Joaquin County Housing Authority, San Joaquin County Parks and Recreation Commission, Local Area Formation Commission, and NCPA.

Lodi Municipal Code

15.64.030 Development impact funds.

A. The city finance director shall create in the city treasury the following special interest-bearing trust funds into which all amounts collected under this chapter shall be deposited:

1. Water facilities;
2. Sewer facilities:
 - a. General sewer facilities,
 - b. Kettleman Lane lift station,
 - c. Harney Lane lift station,
 - d. Cluff Avenue lift station,
3. Storm drainage facilities;
4. Street improvements;
5. Police facilities;
6. Fire facilities;
7. Parks and recreation facilities;
8. General city facilities and program administration.

B. The fees shall be expended solely to pay the costs of facilities (including interest on interfund loans) or to reimburse developers entitled to reimbursement under this chapter. The funds for the categories listed above shall be kept separate. For purposes of this chapter, they are referred to in aggregate as the “development impact fee fund.”

C. The city manager shall have the authority to make loans among the development impact fee funds to assure adequate cash flow. Interest charged on each loan shall be the same as the rate earned on other city funds. (Ord. 1518 § 1 (part), 1991)

AB 66013.

(d) For a fund established pursuant to subdivision (c), a local agency shall make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

(1) A description of the charges deposited in the fund.
(2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.
(3) The amount of charges collected in that fiscal year.
(4) An identification of all of the following:
(A) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

(B) Each public improvement on which charges were expended that was completed during that fiscal year.

(C) Each public improvement that is anticipated to be undertaken in the following fiscal year.

(5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

(e) The information required pursuant to subdivision (d) may be included in the local agency's annual financial report.

(f) The provisions of subdivisions (c) and (d) shall not apply to any of the following:

(1) Moneys received to construct public facilities pursuant to a contract between a local agency and a person or entity, including, but not limited to, a reimbursement agreement pursuant to Section 66003.

(2) Charges that are used to pay existing debt service or which are subject to a contract with a trustee for bondholders that requires a different accounting of the charges, or charges that are used to reimburse the local agency or to reimburse a person or entity

who advanced funds under a reimbursement agreement or contract
for
facilities in existence at the time the charges are collected.
(3) Charges collected on or before December 31, 1998.

RESOLUTION NO. 2001-12

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE
CONTRACT FOR THE LOWER SACRAMENTO ROAD WIDENING
PROJECT, KETTLEMAN LANE TO TURNER ROAD; AUTHORIZING
THE CITY MANAGER TO EXECUTE A WORK ORDER; AND FURTHER
APPROPRIATING FUNDS FOR THIS PROJECT

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council sealed bids were received and publicly opened on December 13, 2000 at 11:00 a.m. for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, described in the specifications therefore approved by the City Council on June 21, 2000; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

| <u>Bidder</u> | <u>Location</u> | <u>Bid</u> |
|------------------------------|-----------------|-----------------------|
| Engineer's Estimate | | \$5,597,800.00 |
| George Reed, Inc. | Lodi | \$5,474,479.00 |
| DSS Company | Stockton | \$5,562,205.00 |
| Granite Construction Company | Stockton | \$6,181,662.00 |
| Teichert Construction | Stockton | \$6,291,700.00 |

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the Bid for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, be made to the low bidder, George Reed, Inc., of Lodi, California, in the amount of \$5,474,479.00; and

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to execute a Work Order for the design consultant, Mark Thomas and Company, to provide construction management services; and

BE IT FURTHER RESOLVED, that funds in the amount of \$7,030,000.00 be appropriated as follows for this project:

| | |
|-------------|----------------|
| TDA | \$ 106,450.00 |
| Measure K | \$1,371,780.00 |
| STIP | \$2,600,000.00 |
| STP | \$2,155,000.00 |
| Impact Fees | \$ 796,770.00 |

Dated: January 17, 2001

=====

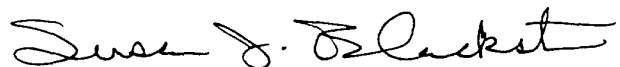
I hereby certify that Resolution No. 2001-12 was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 17, 2001, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and
Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Awarding the Contract for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, to George Reed, Inc.; Authorize the City Manager to Execute a Work Order for Design Consultant Mark Thomas & Co., Inc.; and Appropriate \$7,030,000 for the Project

MEETING DATE: January 17, 2001

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the contract for the above project to George Reed, Inc., of Lodi, in the amount of \$5,474,479; authorize the City Manager to execute a work order for construction management services; and appropriate additional funds in accordance with the recommendation shown below.

BACKGROUND INFORMATION: This project consists of widening Lower Sacramento Road from two lanes to four lanes between Kettleman Lane (State Highway 12) to Turner Road. The project includes constructing curbs, gutters, sidewalks, and wheelchair ramps; overlaying the existing pavement from Kettleman Lane to south of Taylor Road; reconstructing the existing pavement (including intersections) from Taylor Road to Turner Road; constructing landscaped medians with raised curbs; reconstructing fences, gates, and driveways; modifying four traffic signals; constructing a new traffic signal at Tokay Street; installing street lights; and constructing a traffic signal interconnect system.

Plans and specifications for this project were approved on June 21, 2000. The project was delayed while awaiting Federal Highway Administration (FHWA) and Caltrans approval of the environmental documentation. The City received the following four bids for the project:

| Bidder | Location | Bid |
|------------------------------|----------|-------------|
| Engineering Estimate | | \$5,597,800 |
| George Reed, Inc. | Lodi | \$5,474,479 |
| DSS Company | Stockton | \$5,562,205 |
| Granite Construction Company | Stockton | \$6,181,662 |
| Teichert Construction | Stockton | \$6,291,700 |

Construction of this project will start in January 2001 and, depending on weather, be completed in 10 to 12 months. Staff is requesting City Council authorize the City Manager to execute the attached work order for the design consultant, Mark Thomas & Co., Inc., to provide construction management services. The consultant, along with staff, will conduct a public information meeting in February or March 2001, to inform the community about the construction schedule. The consultant will also provide media releases for construction updates and provide construction oversight and staking.

APPROVED:

Janet Kerton for DF

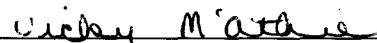
H. DIXON FLYNN -- CITY MANAGER

CAWARD


01/11/01

Adopt a Resolution Awarding the Contract for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, to George Reed, Inc.; Authorize the City Manager to Execute a Work Order for Design Consultant Mark Thomas & Co., Inc.; and Appropriate \$7,030,000 for the Project
January 17, 2001
Page 2

FUNDING: At the June 21, 2000 City Council meeting, Council approved authorizing the City Manager to execute all necessary agreements for the widening project. Cooperative agreements for funding have been executed and/or are in the process of being executed between the City and Caltrans, and SJCOG for funds from Transportation Development Act (TDA), Measure K, State Transportation Improvement Program (STIP), and Surface Transportation Program (STP). In addition, several right of way acquisition agreements are in the process of being executed. Local funds, from Street and Utility Impact Mitigation Fee accounts, will also be used for funding this project. The funding sources are shown below:

| | | |
|--------------------------|--|--------------|
| Requested Appropriation: | \$7,030,000 | |
| | TDA | \$ 106,450 |
| | Measure K | \$ 1,371,780 |
| | STIP | \$ 2,600,000 |
| | STP | \$ 2,155,000 |
| | Impact Fees | \$ 796,770 |
| Total Project Estimate: | \$8,061,500 | |
| Bid Opening Date: | December 13, 2000 | |
| Funding Available: |  | |
| | Vicky McAthie, Finance Director | |

The difference between the contract and the requested appropriation includes funds for right of way acquisition, construction management services, material testing, widening completed by developers for the Safeway project, signal poles ordered separately, and contingencies. In addition to these items, the project estimate includes the design work, environmental documentation, and construction of the Woodbridge Irrigation District (WID) culvert crossing completed last winter.


Richard C. Prima, Jr.
Public Works Director

Prepared by Paula J. Fernandez, Associate Traffic Engineer

RCP/PJF/lm

Attachment

cc: Randy Hays, City Attorney
Wes Fujitani, Senior Civil Engineer
Joel Harris, Purchasing Officer
Jerry Adams, Police Chief
Mark Thomas & Co., Inc.
George Bradley, Street Superintendent
SJCOG, Steve VanDenburgh
George Reed, Inc.
Interested Parties w/o attachment

CITY COUNCIL

ALAN S. NAKANISHI, Mayor
PHILLIP A. PENNINO
Mayor Pro Tempore
SUSAN HITCHCOCK
EMILY HOWARD
KEITH LAND

CITY OF LODI
PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710
EMAIL pwdept@lodi.gov
http://www.lodi.gov

January 11, 2001

H. DIXON FLYNN
City Manager
SUSAN J. BLACKSTON
City Clerk
RANDALL A. HAYS
City Attorney
RICHARD C. PRIMA, JR.
Public Works Director

George Reed Inc.
P. O. Box 1630
Lodi, CA 95241

Mr. Rob Himes
Mark Thomas & Co., Inc.
7300 Folsom Blvd., Ste. 203
Sacramento, CA 95826

Steve VanDenburgh, Sr. Rgnl. Planner
San Joaquin Council of Governments
6 South El Dorado Street, Ste. 400
Stockton, CA 95202

Interested Parties

SUBJECT: Adopt a Resolution Awarding the Contract for the Lower Sacramento Road
Widening Project, Kettleman Lane to Turner Road, to George Reed, Inc.;
Authorize the City Manager to Execute a Work Order; and Appropriate
\$7,030,000 for the Project

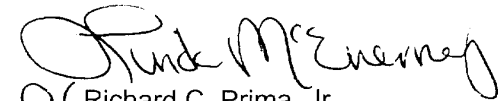
Enclosed is a copy of background information on an item on the City Council
agenda of Wednesday, January 17, 2001. The meeting will be held at 7 p.m. in the
City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member
requests discussion. The public is given an opportunity to address items on the consent
calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi,
P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may
hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card
(available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the
City Clerk. If you have any questions about communicating with the Council, please contact
Susan Blackston, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Paula J. Fernandez at
(209) 333-6800, ext. 2667.


Richard C. Prima, Jr.
Public Works Director

RCP/kc

Enclosure

cc: City Clerk

NCAWARD

- H-5 "Adopt resolution authorizing the City Manager to execute a professional services agreement with Scott W. Kenley for purposes of labor negotiations (HR)" was **pulled from the agenda pursuant to staff's request.**

City Manager Flynn reported that staff will solicit proposals for this service and come back to Council with a recommendation.

- H-6 "Adopt resolution awarding the contract for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, to George Reed, Inc.; authorize the City Manager to execute a Work Order for design consultant, Mark Thomas and Company; and appropriate \$7,030,000 for the project (PW)" **formerly E-9**

Public Works Director Prima reported that in the 1960s a specific plan was adopted establishing a width for four lanes on Lower Sacramento Road from Kettleman Lane up to Turner Road. The area has developed over the years; however, the road was never widened. Policies provided for subdividers to dedicate the right of way and build their projects set back from the main roadway. Through funding from Measure K, impact fees, and state allocations the City is now ready to move forward on the road widening project. The environmental process has been completed, as well as all required public hearings. He described the project in detail and stated that it is anticipated to begin in April and be completed by Thanksgiving.

Mayor Pro Tempore Pennino commended staff for their efforts on the project and success in obtaining funding. He noted that the City receives its fair share of transportation dollars from the Council of Governments (COG).

Council Member Land outlined the work that has been done by staff and previous discussions at Council meetings concerning this project: Site plan review, discussions regarding the median, light standards, egress for the Fire Department, plants, trees, shrubs, turn lanes, and public comments from the residents of Taylor Road and Corbin Lane. The project was delayed while the State determined whether there were historic buildings located along Lower Sacramento Road. He emphasized the thorough amount of reports and review that have taken place previously before Council on this subject.

Council Member Howard expressed thanks to Mayor Pro Tempore Pennino for serving as Lodi's representative on COG and being instrumental in bringing funds to the City.

Council Member Hitchcock responded to Mr. Land's intimation that it was not necessary to pull this item from the consent calendar. She concluded that there is a philosophical difference in approaches. Ms. Hitchcock stated that she feels the constituency she represents wants to have knowledge, and in her effort to ensure this happens, discussions before the Council sometimes have to take place on a repetitive basis.

Council Member Land disagreed, stating that this project has been comprehensively discussed during two public meetings and one entire Council meeting that was devoted to the subject. He supported staff's decision to place the matter on the consent calendar and noted that he had spent a considerable amount of time prior to the meeting reviewing volumes of past information on the subject to ensure that every detail had been fully reported and discussed openly.

PUBLIC COMMENTS:

- Otto Krueger, 632 N. Church Street, Lodi, commented that he has an old map that indicates Lower Sacramento Road was part of the Lincoln Highway, which was the first continental highway across the United States.

- Robert Silva, 24700 Suttentfield Road, Acampo, stated that the City of Galt placed landmark signs on Lower Sacramento Road to identify that it was originally the Lincoln Highway.

MOTION / VOTE:

The City Council, on motion of Council Member Pennino, Land second, unanimously adopted Resolution No. 2001-12 awarding the contract for the Lower Sacramento Road Widening Project, Kettleman Lane to Turner Road, to George Reed, Inc., of Lodi, in the amount of \$5,474,479; authorized the City Manager to execute a Work Order for construction management services; and appropriated additional funds in accordance with staff recommendation.

- H-7 "Adopt resolution authorizing the City Manager to sign a consulting services agreement for an Electric Utility Cost of Service Study with EES Consulting, Inc. (not to exceed \$32,000) (EUD)" **formerly E-12**

Electric Utility Director Vallow explained that this item is related to deregulation, in that it has made it necessary to evaluate costs in detail by delineating individual costs for each customer, customer class, and new customer. He commented that he has been very critical of the recent actions of the California Public Utilities Commission for disproportionately burdening businesses with higher rates.

Jim Doyle, Electric Utility Rates & Resources Manager, reported that through the recommended cost of service study, Electric Utility will get a software program enabling them to continue to do these types of studies in the future. An anticipated outcome of this study will be recasting expenses and determining whether revenues are being collected from the right people. The industry and the City have changed considerably since the last time a study of this type was done in 1993.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Land second, unanimously adopted Resolution No. 2001-13 authorizing the City Manager to sign a consulting services agreement for an Electric Utility Cost of Service Study with EES Consulting, Inc.

I. ORDINANCES

None.

J. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Otto Krueger, 632 N. Church Street, Lodi, spoke about pedestrian safety. He stated that the corner of Locust Street and Pleasant Avenue has a ramp with ridges on the sides, which he described as a "trough". He recently fell at that location and urged the Council to look into the unevenness of this walking area. Mr. Krueger also complained of sidewalks being blocked by cars and garbage cans.

Public Works Director Prima surmised that Mr. Krueger was describing a handicap ramp and stated that the City must meet ADA requirements.

City Manager Flynn stated that staff will look at the corner of Locust Street and Pleasant Avenue for pedestrian safety issues and report back to Council on their findings.

K. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Hitchcock stated that the Mayor represented the Council well during the Unity Day Celebration in honor of Martin Luther King's birthday. She commented that speakers Megan Holly and Richard Jones did an outstanding job at the event. Ms. Hitchcock

AICPA Audit and Accounting Guide

**AUDITS OF
STATE AND LOCAL
GOVERNMENTS
(GASB 34 EDITION)**

Issued September 1, 2002

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

AICPA

5.23 Other than investments that are within the scope of GASB Statements No. 10, 25, and 31, as amended, the GASB has not addressed the valuation or recognition of investments reported in the proprietary or fiduciary fund categories or in the government-wide financial statements. However, certain private-sector investment standards are category (a) accounting and financial reporting guidance for governments because GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, provides that proprietary funds and the government-wide financial statements should or may apply certain private-sector standards.⁴ Those private-sector standards include certain pre-November 30, 1989 private-sector pronouncements, such as Financial Accounting Standards Board (FASB) Statements of Financial Accounting Standards No. 52, *Foreign Currency Translation*, and No. 80, *Accounting for Futures Contracts* (see the GASB 31 Q&A, item 48). They also may include certain post-November 30, 1989 FASB pronouncements, such as portions of FASB Statements No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended; and No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities—a replacement of FASB Statement No. 125*, for those enterprise funds (and resulting business-type activities) that apply paragraph 7 of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, as amended.

5.24 Despite the use of different bases of accounting in different financial statements and fund categories, investment income is measured the same way under the accrual and modified accrual bases of accounting. That is, investment income in governmental funds is not modified for the "availability" criterion. Paragraph 57 in the nonauthoritative Basis for Conclusions of GASB Statement No. 31 states that "The Board believes that governmental fund investments—and changes in the fair value of those investments—are appropriately 'available,' thus meriting recognition under the modified accrual basis of accounting."

Financial Statement Presentation

Financial Position Classifications

5.25 Each of a government's funds, activities, and component units should report its own cash and investments, including its equity position in internal investment pools. The GASB 31 Q&A, item 73, states that equity positions in internal investment pools should be reported as, for example, "equity in cash management pool," "equity in internal investment pool," "cash and cash equivalents," or "investments." It also sometimes is necessary to classify certain cash and investments as restricted assets to comply with compliance requirements, such as debt covenants. (See the discussion of restricted assets in Chapter 2, "Financial Reporting.")

5.26 When one fund has overdrawn its share of an internal investment pool, that fund should report an interfund liability to the fund that the government's management deems to have lent the amount to the overdrawn fund.⁵ The fund deemed to have lent the amount should report an interfund

⁴ See the discussion of the hierarchy of governmental GAAP in Chapter 1 and the discussion of the applicability of certain private-sector standards in Chapter 2, "Financial Reporting."

⁵ Such overdrawn positions may represent instances of noncompliance if the government has a prohibition against interfund borrowing.

receivable from the borrowing fund. This treatment is unaffected by whether the lending and borrowing funds are of the same or different fund types or categories. However, in the government-wide financial statements, those inter-fund accounts should be eliminated as required for internal balances by GASB Statement No. 34, paragraph 58. (See the discussion of interfund eliminations in Chapter 9, "Interfund, Internal, and Intra-Entity Activity and Balances.") If a cash account for the government is overdrawn in total, the balance should be classified as a liability in the fund and government-wide financial statements.

5.27 Some governments consider their arbitrage rebate liability to be a revenue-generated liability and adjust interest earnings for the annual change in the liability. Other governments consider the arbitrage rebate liability to be an expense-generated liability and adjust expenses for the annual change in the liability. With the expense-generated approach, expenditure recognition and liability reporting in the governmental funds is subject to the modified accrual basis of accounting.

5.28 Agency funds may have negative cash balances because more cash has been paid out than received. The funds also may have incurred more liabilities than there are assets to pay them. In those cases, the government may have a liability to cover the shortages with amounts from other funds, and should report an interfund receivable in the agency funds.

Activity Classifications

5.29 GASB Statement No. 31, paragraph 13, provides that when the change in the fair value of investments is identified separately as an element of investment income, it should be captioned "net increase (decrease) in the fair value of investments." For investments reported at fair value, realized gains and losses should not be displayed separately from the net increase (decrease) in the fair value of investments in the financial statements; note disclosure of those realized gains and losses with certain prescribed language is permitted. (Different display standards apply for defined benefit pension plans and governmental external investment pools as discussed below and in Chapter 12, respectively.)

5.30 The GASB 31 Q&A, item 39, indicates that realized gains and losses may be reported for investments that are reported using cost-based measures. If that is done, that Q&A item states that the financial statements should clearly indicate that the presentation applies only to securities reported at amortized cost.

5.31 GASB Statement No. 31, paragraph 14, as amended, states that, often, income from investments associated with one fund is assigned to another fund because of legal or contractual provisions. In that situation, the accounting treatment should be based on the specific language of the legal or contractual provisions. If, however, the investment income is assigned to another fund for other than legal or contractual reasons—for example, management decision—the income should be recognized in the fund that reports the investments. The transfer of that income to the recipient fund should be reported as an interfund transfer.

5.32 GASB Statement No. 34, paragraph 51, provides that earnings on endowments or permanent fund investments should be reported as program revenues in the government-wide statement of activities if the earnings are restricted to one or more programs specifically identified in the endowment or

NO. 165-B | DECEMBER 1998

Governmental Accounting Standards Series

Statement No. 33 of the
Governmental Accounting
Standards Board

Accounting and Financial Reporting for Nonexchange Transactions



GOVERNMENTAL ACCOUNTING STANDARDS BOARD
OF THE FINANCIAL ACCOUNTING FOUNDATION

14. In contrast to time requirements, *purpose restrictions do not affect the timing of recognition* for any class of nonexchange transactions. Rather, recipients of resources with purpose restrictions should report resulting net assets (or equity or fund balance, as appropriate) as restricted until the resources are used for the specified purpose or for as long as the provider requires the resources to be maintained intact (for example, endowment principal).⁹

Reimbursements

15. Governments (including the federal government) frequently engage in award programs commonly referred to as "reimbursement-type" or "expenditure-driven" grant programs. These programs may be either government-mandated or voluntary nonexchange transactions, depending on their characteristics. In either case, the provider stipulates that a recipient cannot qualify for resources without first incurring allowable costs under the provider's program. That kind of stipulation is *not* a purpose restriction as defined in this Statement. Rather, it is considered an *eligibility requirement* (discussed in paragraphs 19 and 20) and affects the timing of recognition. That is, there is no award—the provider has no liability and the recipient has no asset (receivable)—until the recipient has met the provider's requirements by incurring costs in accordance with the provider's program. (Cash and other assets provided in advance should be reported as advances [assets] by providers and as deferred revenues [liabilities] by recipients until allowable costs have been incurred and any other eligibility requirements have been met.)

Derived Tax Revenue Transactions

16. Governments should recognize *assets* from derived tax revenue transactions in the period when the exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. *Revenues* should be recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance should be reported as deferred revenues (liabilities) until the period of the exchange.

⁹For a governmental fund, recipients should report a reservation of fund balance. Accounting for contraventions of purpose restrictions is discussed in paragraph 26.

General Fund

| | | | |
|------|--|-----------|-----------|
| (42) | Salaries | \$100,000 | |
| | Fringe Benefits | \$ 31,000 | |
| | Intergovernmental Revenues | | \$131,000 |
| | To record salary and fringe benefits paid on behalf of this government by Paying Entity X to Third Party Y during the fiscal period. | | |

[iv] **Entitlements** Requirements for entitlements are more form than substance; only a failure to comply with the form will cause a forfeiture of the funds. For example, resources under a particular entitlement can be spent in any way the local government determines, but quarterly reports must be filed as to how they were spent. Failure to file the reports could result in forfeiture.

Under Codification Section G60.109, entitlements should be recognized as revenue at the time of receipt, as in entry (38), or earlier if susceptible to accrual, as in entry (39):

| | | | |
|------|--|-------------|-------------|
| (38) | Cash | \$1,000,000 | |
| | Intergovernmental revenues—revenue sharing—state | | \$1,000,000 |
| | (To record revenue-sharing proceeds.) | | |
| (39) | Due from other governments | \$1,000,000 | |
| | Intergovernmental revenues—revenue sharing—state | | \$1,000,000 |
| | (To accrue the amount due from another government in 30 days.) | | |

If cash has been received but revenue recognition criteria have not been met, the receipt should be recorded as deferred revenue. Revenue is recognized only when the recognition criteria have been met.

Both grant revenues and expenditures should be recorded and shown in the financial statements for adequate disclosure. This approach is consistent with the policy of measuring the flow of financial resources.

[v] **Grants by reimbursement** A grant by reimbursement is one whereby money is not disbursed until the government first makes expenditures that qualify under the terms of the grant and then applies to the grantor for reimbursement. Revenue should be recognized as qualifying expenditures are made. The entries would be:

| | | | |
|------|---|-------------|-------------|
| (40) | Expenditures—under Grant XXX | \$1,000,000 | |
| | Accounts payable | | \$1,000,000 |
| | (To record qualifying expenditures made under Grant XXX.) | | |
| (41) | Due from federal government | \$1,000,000 | |
| | Intergovernmental revenue—grants | | \$1,000,000 |
| | (To record the amount due under Grant XXX) | | |
| (42) | Cash | \$ 750,000 | |
| | Due from federal government | | \$ 750,000 |
| | (To record cash received under Grant XXX.) | | |

At year-end, any amount remaining in “due from federal government” should be reported to indicate that the reimbursement money has not yet been received. The estimated time of receipt does not affect revenue recognition.

[vi] **Grants paid in advance** Grants that are paid in advance or paid periodically over time are recognized in much the same way as grants by reimbursement. Revenues should be recognized as eligible expenditures are made, and any unused

**CITY OF LODI
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2003**

| | General Fund | Capital Outlay Reserve | Other Governmental Funds | Total Governmental Funds |
|--|-----------------|------------------------------|--------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 356,687 | 9,040,921 | 2,280,392 | \$ 11,678,000 |
| Restricted assets | | 6,560,245 | | 6,560,245 |
| Receivables: | | | | |
| Accounts | 3,318,817 | | 114,742 | 3,433,559 |
| Property taxes | 851,966 | 357,024 | | 1,208,990 |
| Interest | | 32,548 | 16,407 | 48,955 |
| Due from other funds | 229,120 | 763,291 | 1,927,747 | 2,920,158 |
| Due from other governmental agencies | 165,631 | 450,000 | 1,872,109 | 2,487,740 |
| Advance receivables | | | 1,084,000 | 1,084,000 |
| Inventory | 117,541 | | | 117,541 |
| Other assets | 33,929 | | | 33,929 |
| Total assets | \$ 5,073,691 | 17,204,029 | 7,295,397 | \$ 29,573,117 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and other liabilities | \$ 1,421,461 | 904,390 | 590,992 | \$ 2,916,843 |
| Accrued salaries and wages | 740,106 | | | 740,106 |
| Due to other funds | 1,345,416 | 3,675,884 | 1,412,101 | 6,433,401 |
| Deferred revenue | | 450,000 | 1,084,000 | 1,534,000 |
| Total liabilities | 3,506,983 | 5,030,274 | 3,087,093 | 11,624,350 |
| Fund balances: | | | | |
| Reserved | 927,056 | 5,224,919 | 1,180,282 | 7,332,257 |
| Unreserved reported in: | | | | |
| General Fund | 639,652 | | | 639,652 |
| Special revenue funds | | | 2,322,087 | 2,322,087 |
| Capital projects funds | | 6,948,836 | 705,935 | 7,654,771 |
| Total fund balances | 1,566,708 | 12,173,755 | 4,208,304 | 17,948,767 |
| Total liabilities and fund balances | \$ 5,073,691 | 17,204,029 | 7,295,397 | \$ 29,573,117 |

The notes to the financial statements are an integral part of this statement.

RESOLUTION NO: 96- 95

**A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE INVESTMENT TRANSFER OF \$350,000 FROM THE ELECTRIC UTILITY
FUND TO THE GENERAL GOVERNMENT CAPITAL OUTLAY**

WHEREAS, the City Council was provided with background information on the financing plan and strategy for construction of Hutchins Street Square and other general government projects between 1995 and 2001; and

WHEREAS, the information given at the shirtsleeve presentation listed approximately \$10 million worth of capital improvement projects and debt service to be funded by General Fund Revenue over the next five years; and

WHEREAS, the investment transfer is needed to supplement the property tax distribution to the Capital Outlay Fund to give the City flexibility in addressing capital improvement needs; and

WHEREAS, the investment transfer will be brought forward annually for Council approval; and

WHEREAS, Council has approved similar investment transfers from the Electric Utility Rate Stabilization Fund in the past;

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council approval of an investment transfer of \$350,000 from the Electric Utility Fund to the General Government Capital Outlay fund.


Dated: July 17, 1996

I hereby certify that Resolution No. 96-95 was passed and adopted by the Lodi City Council in a regular meeting held July 17, 1996 by the following vote:

Ayes: Council Members - Davenport, Mann, Pennino, Sieglock and Warner (Mayor)

Noes: Council Members - None

Absent: Council Members - None


Jennifer M. Perrin
City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approval of an investment transfer of \$350,000 from the Electric Utility Fund to the General Government Capital Outlay fund.

MEETING DATE: July 17, 1996

PREPARED BY: Finance Director


RECOMMENDED ACTION: That the City Council adopt Resolution No. 96-10⁴ approving an investment transfer of \$350,000 from the Electric Utility Fund to the General Government Capital Outlay fund .

BACKGROUND INFORMATION: At the shirtsleeve meeting of July 9, 1996, the City Council was provided with background information on the financing plan and strategy for construction of Hutchins Street Square and other general government projects between 1995 and 2001. That financing plan included an investment transfer of \$350,000 from the Electric Utility Fund to the General Government Capital Outlay fund . The investment transfer will be brought forward annually for Council approval.


Information given at the shirtsleeve presentation listed approximately \$10 million worth of capital improvement projects and debt service to be funded by General Fund Revenue over the next five years. The investment transfer is needed to supplement the property tax distribution to the Capital Outlay Fund to give the City flexibility in addressing capital improvement needs. Investment in capital projects will enhance the quality of life in Lodi, contribute to the economic revitalization of the City, and provide efficient and professional public service .

Financial Impact: Council has approved similar investment transfers from the Electric Utility Rate Stabilization Fund in February, 1989 and May, 1990. Final repayment of these loans were made in 1994 and 1995 respectively.

FUNDING: Electric Utility Rate Stabilization Fund


Vicky McAthie
Finance Director

APPROVED: _____


H. Dixon Flynn -- City Manager

Speaking on the matter was the following person:

1. Tim Hachman, Bond Counsel, answered questions from the City Council.
FILE NO. CC-21(a), CC-72, CC-300 AND CC-400
- b) The City Council, on motion of Council Member Mann, Sieglock second, unanimously adopted Resolution No. 96-102 approving the execution of lease financing documents and sale of \$10,120,000 Certificates of Participation (1996 Public Improvement Financing Project) to finance the construction of Performing Arts/Convention Center.

Speaking on the matter was the following person:

1. John Fitzgerald, Seidler/Fitzgerald Public Finance, answered questions from the City Council.
FILE NO. CC-14(e), CC-21(a), CC-27(e) AND CC-300
- c) The City Council, on motion of Council Member Sieglock, Mann second, unanimously adopted Resolution No. 96-95 approving an investment transfer of \$350,000 from the Electric Utility Fund to the General Government Capital Outlay fund. Mayor Warner reiterated the City Council's earlier direction that this transfer not be done unless it is absolutely necessary; however, he understands that at the outset it is necessary to make the numbers balance. Council Member Mann indicated that the City Manager has acknowledged the Council's reluctance to do the transfer just because we can. This will be an annual request *if needed* and **will be paid back by receipts from the Foundation.**
FILE NO. CC-21(b), CC-51(d) AND CC-300
- d) The City Council, on motion of Council Member Sieglock, Mann second, unanimously approved the landlords consent, thereby consenting to the assignment of the lease between the Lodi Boys and Girls Club, Inc. with the City of Lodi to Pacific State Bank.
FILE NO. CC-6 AND CC-90

13. MEETING OF THE LODI PUBLIC IMPROVEMENT CORPORATION

Mayor Warner adjourned the City Council meeting to a meeting of the Lodi Public Improvement Corporation. President Warner called the meeting to order and roll was recorded by Secretary Perrin as follows:

Present: Board Members - Davenport, Mann, Pennino, Sieglock and Warner (President)
Absent: Board Members - None
Also Present: Treasurer McAthie and Secretary Perrin

President Warner asked that the minutes reflect the earlier actions taken by the City Council on this issue (shown below):

"The City Council, on motion of Council Member Mann, Sieglock second, unanimously adopted Resolution No. 96-102 approving the execution of lease financing documents and sale of \$10,120,000 Certificates of Participation (1996 Public Improvement Financing Project) to finance the construction of Performing Arts/Convention Center.

Speaking on the matter was the following person:

1. *John Fitzgerald, Seidler/Fitzgerald Public Finance, answered questions from the City Council."*

2001-03 FINANCIAL PLAN AND SUMMARY

INTERFUND TRANSACTIONS - OPERATING TRANSFERS

| | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|--|--------------------|------------------|------------------|------------------|
| | Actual | Actual | Budget | Budget |
| CAPITAL OUTLAY FUND | | | | |
| Operating Transfers In | | | | |
| Total Transfers | 2,721,153 | 429,195 | | |
| General Fund | | 1,500,000 | 1,500,000 | 1,500,000 |
| Electric Fund | | | 350,000 | 300,000 |
| Total Transfers In | 2,721,153 | 1,929,195 | 1,850,000 | 1,800,000 |
| Operating Transfers Out | | | | |
| Vehicle Maintenance Fund | | | (425,000) | (425,000) |
| Total Transfers | (3,843,397) | (1,991,242) | (1,275,205) | (1,267,895) |
| Total Transfers Out | (3,843,397) | (1,991,242) | (1,700,205) | (1,692,895) |
| TOTAL CAPITAL OUTLAY FUND | (1,122,244) | (62,047) | 149,795 | 107,105 |
| VEHICLE MAINTENANCE FUND | | | | |
| Operating Transfers In | | | | |
| Capital Outlay Fund | 512,539 | 422,000 | 425,000 | 435,000 |
| Operating Transfer Out | | | | |
| Equipment Replacement Fund | (99,410) | (50,000) | (67,000) | (20,000) |
| Total Transfers In | 413,129 | 372,000 | 358,000 | 415,000 |
| TOTAL VEHICLE MAINTENANCE FUND | 413,129 | 372,000 | 358,000 | 415,000 |
| DEBT SERVICE FUND | | | | |
| Operating Transfers In | | | | |
| Capital Outlay Fund | 1,282,352 | 1,285,242 | 1,275,205 | 1,267,895 |
| Total Transfers In | 1,282,352 | 1,285,242 | 1,275,205 | 1,267,895 |
| TOTAL DEBT SERVICE FUND | 1,282,352 | 1,285,242 | 1,275,205 | 1,267,895 |
| WATER FUND | | | | |
| Operating Transfers In | | | | |
| Total Transfers | 16,975 | - | - | - |
| Total Transfers In | 16,975 | - | - | - |
| Operating Transfers Out | | | | |
| Cost of Services Transactions | | | (680,259) | (680,259) |
| Benefits Fund | | | (17,896) | (17,896) |
| Insurance Funds | | | (72,065) | (72,065) |
| General Fund | | | (12,500) | (19,500) |
| Total Transfers | (655,739) | (655,545) | | |
| Total Transfers Out | (655,739) | (655,545) | (782,720) | (789,720) |
| TOTAL WATER FUND | (638,764) | (655,545) | (782,720) | (789,720) |
| WASTEWATER FUND | | | | |
| Operating Transfers In | | | | |
| Total Transfers | 161,779 | - | - | - |
| Total Transfers In | 161,779 | - | - | - |
| Operating Transfers Out | | | | |
| Cost of Services Transactions | | | (537,333) | (537,333) |
| General Fund | | | (12,500) | |
| General Fund-additional street sweeping (storm drains) | | | (82,000) | (82,000) |
| Benefits Fund | | | (17,894) | (17,894) |
| Insurance Funds | | | (102,097) | (102,097) |
| Total Transfers | (726,749) | (580,301) | | |
| Total Transfers Out | (726,749) | (580,301) | (751,823) | (739,324) |
| TOTAL WASTEWATER FUND | (564,970) | (580,301) | (751,823) | (739,324) |
| ELECTRIC FUND | | | | |
| Operating Transfers In | | | | |
| Total Transfers | 1,441,065 | - | - | - |
| Total Transfers In | 1,441,065 | - | - | - |
| Operating Transfers Out | | | | |
| Cost of Services Transactions | | | (1,697,018) | (1,697,018) |
| Benefits Fund | | | (39,368) | (39,368) |
| Insurance Funds | | | (206,649) | (206,649) |
| General Fund CIP | | | (350,000) | (300,000) |

Here's the e-mail we received from FTA that says we can't get our allocation until we settle the urban area split with Galt.

Richard

-----Original Message-----

From: Tiffani Fink
Sent: Monday, April 12, 2004 11:25 AM
To: Richard Prima
Subject: FW: Lodi UA Apportionment

Tiffani M. Fink
Transportation Manager
221 W. Pine Street
Lodi, CA 95240
209-333-6800 x2678
tfink@lodi.gov

-----Original Message-----

From: Lerman, Lorraine (TRO-09) [<mailto:Lorraine.Lerman@fta.dot.gov>]
Sent: Friday, April 09, 2004 10:39 AM
To: Tiffani Fink
Subject: RE: Lodi UA Apportionment

Yes. There has to be a way to allocate - how do you know how much to apply for if you don't have a plan.

-----Original Message-----

From: Tiffani Fink [<mailto:tfink@lodi.gov>]
Sent: Friday, April 09, 2004 8:47 AM
To: Lerman, Lorraine (TRO-09)
Subject: Lodi UA Apportionment

Lorraine-

It is my understanding that the City of Lodi will not be able to submit a program of projects or grant application for the FY 02/03 or FY 03/04 appropriations until an MOU is signed by all parties within the Lodi UA indicating the agreed upon funding split. Is this a correct assumption?

Thanks

Tiffani M. Fink
Transportation Manager
221 W. Pine Street
Lodi, CA 95240
209-333-6800 x2678
tfink@lodi.gov

Transportation Development Act Statutes and California Codes of Regulations



May 2003

of the funds according to population and the remaining 50 percent is allocated according to operator revenues from the prior fiscal year. STA allocations are deposited in each regional transportation planning entity's STA fund.

What is the process for allocation and payment of STA funds?

STA funds are allocated to the operators within the county. The allocations are based on the operator's share of revenues when compared with all of the other operators in the state. The allocation must be made in a resolution adopted by the TPA's governing board. Payments from the STA fund are made by the county auditor in accordance with the allocation instructions in the allocation resolution.

STA funds may not be allocated to fund administration or streets and roads projects. Operators receiving STA funds must meet qualifying criteria based on the subsidy per average vehicle hour received in the previous year taking into consideration the change in the Consumer Price Index within the operator's region.

In those areas where the LTF apportionment restriction applies (counties over 500,000 population as of the 1970 Federal Decennial Census), a claimant may not receive STA funds unless all of its LTF apportionment is allocated.

**GENERAL QUESTIONS AND ANSWERS ABOUT THE
TRANSPORTATION DEVELOPMENT ACT**

What are the apportionment restriction areas?

There is an apportionment restriction in the Act that applies to counties with a population of over 500,000, according to the 1970 Federal Decennial Census, except San Bernardino County. (The affected counties are San Diego, Orange, Alameda, Santa Clara, San Francisco, Contra Costa, San Mateo, Los Angeles, and Sacramento). In those counties, TDA funds may not be allocated for Article 8 purposes except in; San Diego, Los Angeles, and Sacramento Counties.

For the apportionment restriction areas, funds made available under Article 4.5 may be allocated to cities, counties, or operators, as well as to CTSA's. Outside the apportionment restriction areas, funds made available under Article 4.5 may be allocated only to CTSA's.

Outside the apportionment restriction areas, Article 8 allocations may not be made for streets and roads projects until the transportation planning agency determine that there are no unmet transit needs that are reasonable to meet within the jurisdiction of the claimant.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

99221. It is the intent of the Legislature to improve existing public transportation services and encourage regional public transportation coordination. The Legislature recognizes that in the Southern California Rapid Transit District a unique factual situation exists where several municipal bus systems are providing essential local transportation services within the operating territory of the district, which was created by the Legislature to provide areawide coordinated public transportation services. Within the Southern California Rapid Transit District, as with all transportation service improvements in the County of Los Angeles, the Los Angeles County Transportation Commission shall be the governmental entity responsible to establish a unified or officially coordinated public transportation system as part of the comprehensively planned development of the urban area. Both the Southern California Rapid Transit District and the included municipalities that operate bus systems within the jurisdiction of the district are permitted to file claims pursuant to this chapter upon the local transportation fund of the County of Los Angeles; provided, however, any approved claim shall not be allowed for the purpose of the establishment by the included municipal operator after January 1, 1980, of new transportation services that do not meet the criteria established by the Los Angeles County Transportation Commission for the development of new services. It is the intent of the Legislature that the Southern California Rapid Transit District should not be inhibited in its effort to improve transit services within the region by the expansion outside the reserved service areas of the several municipal bus systems of the involved municipalities. The policy of the Legislature is that new services to meet public transportation needs outside of the municipalities presently operating bus systems which do not compete with, or divert patronage from, an existing operating bus system of an included municipal applicant under Section 99280, shall be provided and controlled by the Southern California Rapid Transit District, in complete cooperation and coordination with the Los Angeles County Transportation Commission, in its role as the responsible public agency for providing public transportation systems and facilities within the region.

LEGISLATIVE INTENT FOR USE OF FUNDS

99222. The Legislature hereby finds and declares that:

(a) It is in the interest of the State that funds available for transit development be fully expended to meet the transit needs that exist in California.

(b) Such funds be expended for physical improvement to improve the movement of transit vehicles, the comfort of the patrons, and the exchange of patrons from one transportation mode to another.

CASH BALANCES/FUND BALANCES
AS OF JUNE 30, 2003

| | | CASH BALANCE | FUND BALANCE/ NET ASSETS |
|---|--------------|-------------------|-----------------------------|
| GENERAL FUND | | \$ (1,345,416.00) | 1,566,708.00 |
| ENTERPRISE FUNDS | | | |
| ELECTRIC FUND | | 19,127,406.00 * | 17,782,907.00 |
| WASTEWATER FUND | | 2,549,078.00 | 28,607,805.00 |
| WATER FUND | | 1,181,956.00 | (3,426,319.00) |
| TRANSIT | | (2,668,962.00) | 9,757,422.00 |
| SPECIAL REVENUE FUNDS | | | |
| PUBLIC SAFETY | | | |
| Asset Seizure/Auto Theft/Local Law Enforcement Block grants | | 343,811.00 | 388,567.00 |
| STREETS | | | |
| Measure K | (162,823.37) | | 57,412.33 |
| IMF Storm Facilities | 1,779,920.92 | | 1,785,544.46 |
| IMF Local Streets | 816,972.44 | | 683,519.73 |
| IMF Regional Streets | 417,116.53 | | (442,477.37) |
| Fence & Landscape Maintenance | 427,564.29 | | 429,032.86 |
| Traffic Congestion Relief | 215,749.25 | | 252,581.32 |
| Federal/State Streets | (423,474.00) | 3,071,026.06 | 246,182.67 |
| Other Streets | | | |
| TRANSPORTATION/PED & BIKE FUND | | 13,224.00 | 6,384.00 |
| HOME PROGRAM/ COMMUNITY DEV. BLOCK GRANTS | | (582,331.00) | - |

CASH BALANCES/FUND BALANCES
AS OF JUNE 30, 2003

| | | <u>CASH BALANCE</u> | <u>FUND BALANCE/ NET ASSETS</u> |
|---|----------------|----------------------|-------------------------------------|
| CAPITAL PROJECT FUNDS | | | |
| Capital Outlay Reserve | | | |
| General Fund Capital Outlay | 6,780,222.91 * | | 4,186,082.00 |
| General Fund Capital Outlay-Public Safety | 6,063,337.00 | | 6,088,185.00 |
| Arts in Public Places | 346,485.22 | | 347,675.00 |
| IMF Police Facilities | 898,455.43 | | 901,452.00 |
| IMF Fire Facilities | (1,643.03) | | (1,397,770.00) |
| IMF Parks & Rec Facilities | 1,353,467.64 | | 2,114,886.00 |
| IMF General Facilities | 290,786.44 | 15,731,111.61 | 292,222.00 |
| Vehicle and Equipment Fund | | 149,108.00 | 170,021.00 |
| Library Capital | | 161,563.00 | 162,032.00 |
| Subdivision Fund | | 300,339.00 | 300,339.00 |
| Redevelopment Agency | | (129,945.38) | (359,065.00) |
| Lodi Lake | | 165,491.00 | 165,588.00 |
| INTERNAL SERVICE FUNDS | | | |
| Benefits Fund | | (604,671.28) | (410,313.54) |
| Insurance Funds | | 1,365,784.72 | (2,176,869.00) |
| GRAND TOTAL | | <u>38,828,572.73</u> | <u>68,079,734.46</u> |

* Includes Restricted Cash Held by Trustee

B-1

CASH BALANCES/FUND BALANCES
AS OF JUNE 30, 2003

| | | <u>CASH BALANCE</u> | <u>FUND BALANCE/ NET ASSETS</u> |
|---|---------------------|---------------------|-------------------------------------|
| GENERAL FUND | | \$ (1,345,416.00) | 1,566,708.00 |
| ENTERPRISE FUNDS | | | |
| ELECTRIC FUND | | 19,127,406.00 * | 17,782,907.00 |
| WASTEWATER FUND | | 2,549,078.00 | 28,607,805.00 |
| WATER FUND | | 1,181,956.00 | (3,426,319.00) |
| TRANSIT | | (2,668,962.00) | 9,757,422.00 |
| SPECIAL REVENUE FUNDS | | | |
| PUBLIC SAFETY | | | |
| Asset Seizure/Auto Theft/Local Law Enforcement Block grants | | 343,811.00 | 388,567.00 |
| STREETS | | | |
| Measure K | (162,823.37) | | 57,412.33 |
| IMF Storm Facilities | 1,779,920.92 | | 1,785,544.46 |
| IMF Local Streets | 816,972.44 | | 683,519.73 |
| IMF Regional Streets | 417,116.53 | | (442,477.37) |
| Fence & Landscape Maintenance | 427,564.29 | | 429,032.86 |
| Traffic Congestion Relief | 215,749.25 | | 252,581.32 |
| Federal/State Streets | <u>(423,474.00)</u> | 3,071,026.06 | <u>246,182.67</u> |
| | | | 3,011,796.00 |
| TRANSPORTATION/PED & BIKE FUND | | 13,224.00 | 6,384.00 |
| HOME PROGRAM/ COMMUNITY DEV. BLOCK GRANTS | | (582,331.00) | - |

CASH BALANCES/FUND BALANCES
AS OF JUNE 30, 2003

| | | <u>CASH BALANCE</u> | <u>FUND BALANCE/ NET ASSETS</u> |
|---|-------------------|-----------------------------|-------------------------------------|
| CAPITAL PROJECT FUNDS | | | |
| Capital Outlay Reserve | | | |
| General Fund Capital Outlay | 6,780,222.91 * | | 4,186,082.00 |
| General Fund Capital Outlay-Public Safety | 6,063,337.00 | | 6,088,185.00 |
| Arts in Public Places | 346,485.22 | | 347,675.00 |
| IMF Police Facilities | 898,455.43 | | 901,452.00 |
| IMF Fire Facilities | (1,643.03) | | (1,397,770.00) |
| IMF Parks & Rec Facilities | 1,353,467.64 | | 2,114,886.00 |
| IMF General Facilities | <u>290,786.44</u> | 15,731,111.61 | <u>292,222.00</u> |
| Vehicle and Equipment Fund | | 149,108.00 | 170,021.00 |
| Library Capital | | 161,563.00 | 162,032.00 |
| Subdivision Fund | | 300,339.00 | 300,339.00 |
| Redevelopment Agency | | (129,945.38) | (359,065.00) |
| Lodi Lake | | 165,491.00 | 165,588.00 |
| INTERNAL SERVICE FUNDS | | | |
| Benefits Fund | | (604,671.28) | (410,313.54) |
| Insurance Funds | | 1,365,784.72 | (2,176,869.00) |
| GRAND TOTAL | | <u><u>38,828,572.73</u></u> | <u><u>68,079,734.46</u></u> |

* Includes Restricted Cash Held by Trustee

filed 4-26-04

CITY OF LODI
Notes to Basic Financial Statements (continued)
June 30, 2003

(4) INTERFUND RECEIVABLES/PAYABLES

Interfund receivables and payables are as follows at June 30, 2003:

| Receivable Fund | Payable Fund | Amount |
|------------------------|-------------------------|---------------------|
| General | Capital Outlay Reserve | \$ 229,120 |
| Capital Outlay Reserve | Other governmental | 763,291 |
| Other governmental | Other governmental | 582,331 |
| Other governmental | General | 1,345,416 |
| Electric | Capital Outlay Reserve | 2,050,000 |
| Wastewater | Nonmajor fund - Transit | 1,779,307 |
| Wastewater | Other governmental | 42,774 |
| Water | Nonmajor fund - Transit | 889,655 |
| Water | Capital Outlay Reserve | 1,396,764 |
| Water | Other governmental | 23,705 |
| | | <u>\$ 9,102,363</u> |

"Due to" and "due from" balances are recorded primarily when funds overdraw their share of pooled cash or when there are short-term loans between funds. The \$582,331 and the \$1,345,416 represent cash deficits in the governmental funds. The \$1,779,307 and the \$889,655 represent the cash deficit in the Transit Fund. The \$229,120 from the General Fund to the Capital Outlay Reserve Fund is a loan for the start up costs of a redevelopment agency. The \$763,291 from the Capital Outlay Reserve to the Other governmental is a loan primarily for capital street expansion. The \$2,050,000 from the Electric Fund to the Capital Outlay Reserve Fund represents loan for capital improvements. The \$1,396,764 in the Water Fund is primarily the loan incurred for the construction of Fire Station #4.

filed 4-26-04

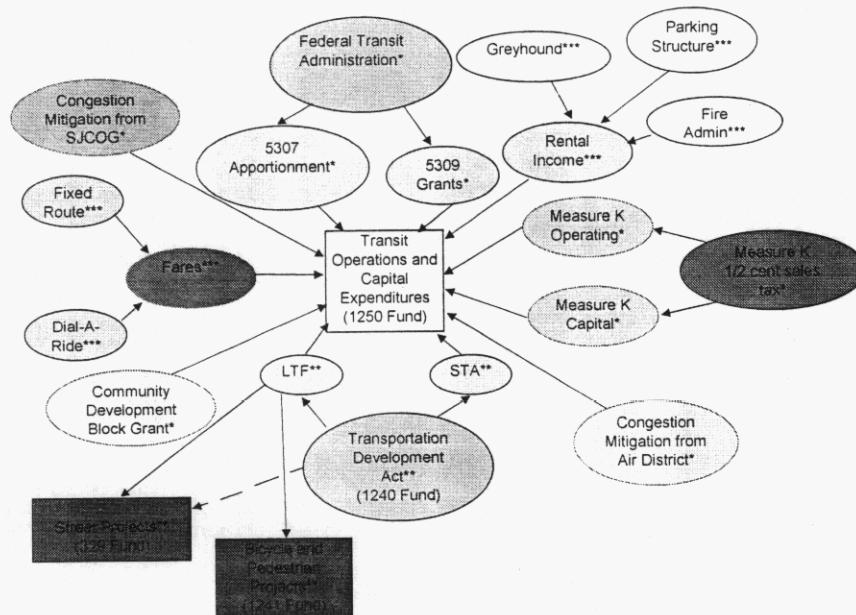
Lodi Transit Deficit

City Council Presentation
April 26, 2004

Transit Deficit

- Involves not only the 1250 Account for Transit but also the 329 Account for TDA Streets
- Compounded by increased operational costs along with significant capital outlay
- Delay in getting funding applications approved – Urbanized Area Issue
- Five years in the making (FY97/98- 02/03)

Transit Revenue Sources

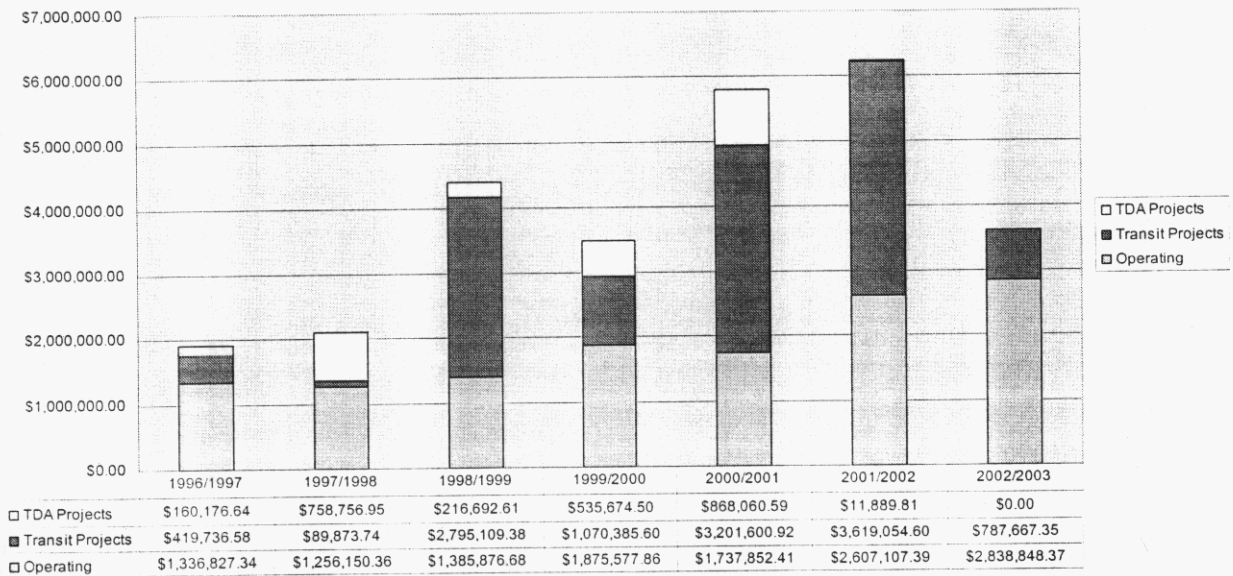


* Funding sources which require expenditures before reimbursement is issued.

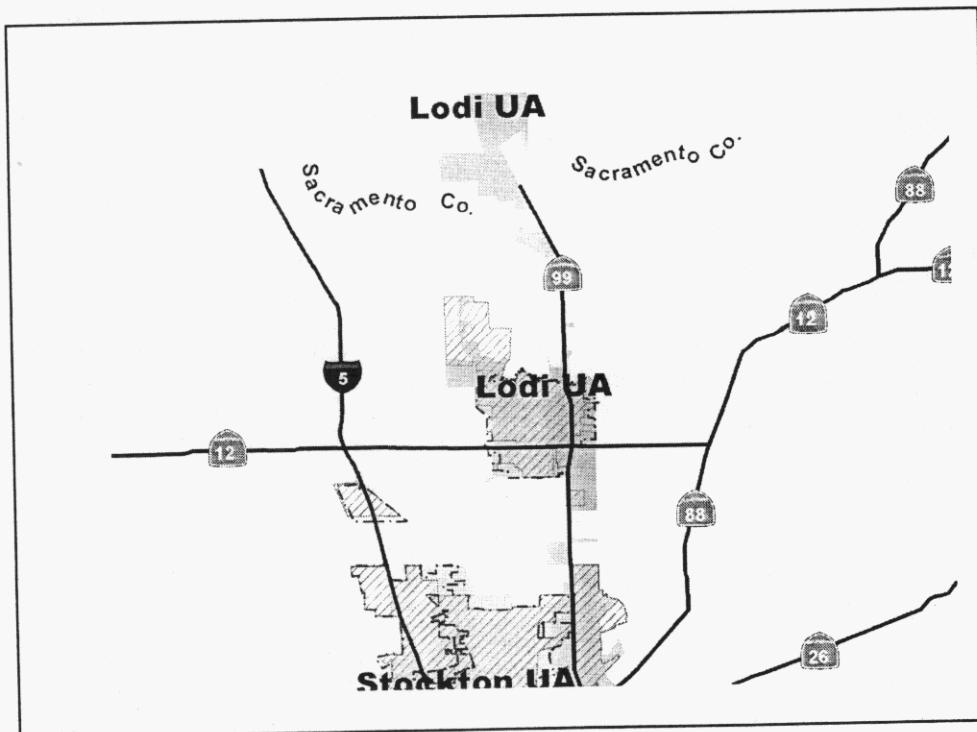
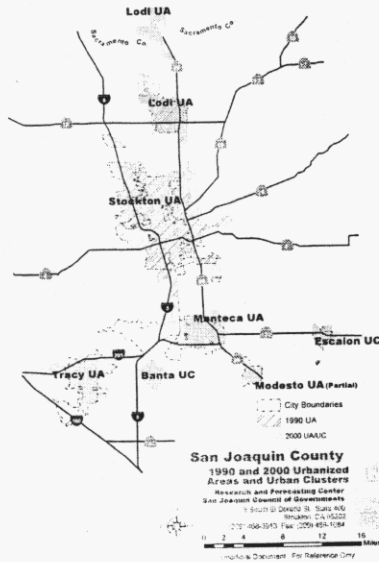
** Funds arrive periodically throughout the year, adjustments for actual expenditures made to next fiscal year claim

*** Local discretionary funding received throughout the year, used primarily as matching funds.

Total Expenditures



Urbanized Area Issue



Revenues and Expenditures

| Fiscal Year | Revenue | | | | | Total Income | Income-Expenditures |
|------------------|------------------------|-----------------------|------------------------|-----------------------|-----------------------|------------------------|-------------------------|
| | Expenditures | LTF Claims | FTA | Other | Fares | | |
| 1996/1997 | \$1,468,044.96 | \$758,014.00 | \$589,769.00 | \$5,580.00 | \$139,996.57 | \$1,493,359.57 | \$25,314.61 |
| 1997/1998 | \$1,190,507.74 | \$969,280.00 | \$509,147.70 | | \$157,891.07 | \$1,636,318.77 | \$445,811.03 |
| 1998/1999 | \$4,023,402.38 | \$1,229,268.00 | \$1,324,358.48 | \$206,336.37 | \$189,873.85 | \$2,949,836.70 | (\$1,073,565.68) |
| 1999/2000 | \$3,780,699.28 | \$1,159,808.00 | \$1,865,647.57 | \$76,384.63 | \$212,273.99 | \$3,314,114.19 | (\$466,585.09) |
| 2000/2001 | \$4,801,924.33 | \$1,210,928.00 | \$2,881,618.34 | \$276,921.00 | \$220,127.88 | \$4,589,593.22 | (\$212,331.11) |
| 2001/2002 | \$5,925,458.25 | \$1,518,346.00 | \$3,419,518.21 | \$340,874.00 | \$234,199.70 | \$5,512,937.91 | (\$412,520.34) |
| 2002/2003 | \$4,848,843.00 | \$1,727,102.00 | \$270,831.00 | \$1,614,575.98 | \$261,248.00 | \$3,873,756.98 | ***(\$975,086.02) |
| Subtotals | \$26,038,879.94 | \$8,572,744.00 | \$10,860,890.30 | \$2,515,091.98 | \$1,415,611.06 | \$23,369,917.34 | (\$2,668,962.60) |

* The 02/03 Expenditures and Revenue "Other" figures include the pass through of \$1,614,575.98 funding for the 15 CNG vehicles for the Lodi Unified School District.

02/03 Revenue Received/ Expected Since July 2003

| Source | Amount |
|--|-------------------------|
| ***FTA 02/03 Apportionment | \$655,249.00 |
| *** Measure K Operating Fares | \$31,798.00 |
| ***TDA Claim Balance from 02/03 | \$300,000.00 |
| LUSD CNG Engineering | \$76,000.00 |
| Revenue Subtotal | \$1,063,047.00 |
| Note: higher figure than in staff report (\$837,249) | |
| Net Deficit Remaining: | (\$1,605,915.60) |

Transit Projects

| Transit | FY 96/97 | FY 97/98 | FY 98/99 | FY 99/00 | FY 00/01 | FY 01/02 | FY 02/03 |
|--------------------------------|------------|-----------|--------------|--------------|--------------|--------------|----------------------|
| Bus stops | \$ 400 | | | | | | \$ 400 |
| Vehicles | \$ 316,035 | | | | \$ 2,086,283 | | \$ 4,403,214 |
| Damage to vehicles | \$ 564 | | | | | | \$ 564 |
| Transit planning | \$ 102,738 | \$ 2,780 | | | | | \$ 105,518 |
| Multimodal station | | \$ 24,351 | \$ 2,475,209 | \$ 1,584,875 | | | \$ 4,084,434 |
| MSC facility upgrades | | \$ 4,071 | \$ 4,632 | \$ 3,659 | | | \$ 12,361 |
| Equipment | | \$ 58,672 | \$ 33,942 | \$ 48,417 | \$ 35,410 | \$ 6,504 | \$ 182,946 |
| MSC CNG fueling station | | | \$ 138,727 | \$ 95,208 | \$ 44,856 | \$ 338,327 | \$ 890,163 |
| Facility upgrades | | | \$ 208 | \$ 52,963 | \$ 216,281 | \$ 119,194 | \$ 50,554 |
| Bus stop shelters | | | \$ 32,856 | \$ 9,684 | \$ 126,975 | | \$ 169,514 |
| CNG engine conversion | | | \$ 109,536 | \$ 102,936 | | | \$ 212,472 |
| Lodi Station Parking structure | | | | \$ 166,525 | \$ 641,796 | \$ 3,122,868 | \$ 3,931,188 |
| Park 'n Ride structure | | | | \$ 6,103 | | | \$ 6,103 |
| Wash bay improvements | | | | | \$ 50,000 | | \$ 50,000 |
| LUSD CNG station | | | | | | \$ 31,901 | \$ 39,017 |
| Total: | | | | | | | \$ 14,558,996 |

Street Projects

| Streets | FY 96/97 | FY 97/98 | FY 98/99 | FY 99/00 | FY 00/01 | FY 01/02 | FY 02/03 | Total |
|-----------------------------------|------------|------------|-----------|------------|------------|----------|----------------------------------|--------------------|
| Turner/Mills traffic signal | \$ 298 | \$ 68,932 | | | | | | \$ 69,230 |
| Fairmont/Lockeford overlays | \$ 215 | \$ 237,635 | | | | | | \$ 237,850 |
| Century/Turner overlays | \$ 207 | \$ 237,864 | | | | | | \$ 238,071 |
| Cluff/Ham overlays | \$ 136,550 | | | | | | | \$ 136,550 |
| Towne Ranch #5 landscape | \$ 1,558 | \$ 23,068 | | | | | | \$ 24,626 |
| Turner/Lower Sac improvements | | \$ 288 | | | | | | \$ 288 |
| Tokay-Fairmont to Mills rehab | | | \$ 39,224 | | | | | \$ 39,224 |
| Lower Sac | | | | | | | | |
| Elm street | | | \$ 61,382 | \$ 198,307 | \$ 100,830 | \$ 3,307 | | \$ 363,826 |
| Kettleman/Crescent signal | | | \$ 81,185 | \$ 143,295 | | | | \$ 224,480 |
| Guild/Thurman construction | | | \$ 30,056 | \$ 78,544 | \$ 4,887 | | | \$ 113,488 |
| Tienda Drive | | | | \$ 41,000 | \$ 41,000 | | | \$ 82,000 |
| Street sweeper purchase | | | | \$ 46,730 | | | | \$ 46,730 |
| Turner improvements | | | | \$ 27,800 | | | | \$ 27,800 |
| MSC roof replacement | | | | \$ 30,743 | | | | \$ 30,743 |
| Beckman reconstruction | | | | | \$ 12,640 | \$ 1,660 | | \$ 14,300 |
| Pavement mgmt software | | | | | \$ 172,509 | | \$ 6,794 | \$ 179,303 |
| Hutchins median | | | | | \$ 13,522 | \$ 6,922 | | \$ 20,445 |
| Upgrade traffic signals | | | | | \$ 8,322 | | | \$ 8,322 |
| Turner/Loma traffic signal | | | | | \$ 33,040 | | | \$ 33,040 |
| | | | | | \$ 8,459 | | | \$ 8,459 |
| | | | | | | | Total: | \$1,898,773 |
| | | | | | | | IMF Eligible (shown bold above): | \$ 445,826 |

Bicycle/Pedestrian Projects

| Project | FY 96/97 | FY 97/98 | FY 98/99 | FY 99/00 | FY 00/01 | FY 01/02 | FY 02/03 | Total |
|---------------------------------------|-----------|------------|-----------|----------|------------|----------|----------------------------------|-------------------|
| Bike/Ped Category | | | | | | | | |
| Misc. sidewalk replacement | \$ 7,456 | \$ 19,338 | \$ 28,028 | | | | | \$ 54,821 |
| Ped safety improvements | | | | | \$ 9,203 | \$ 467 | | \$ 9,669 |
| Ped push buttons | | | | | \$ 19,686 | | | \$ 19,686 |
| Tree inventory software | | | | | | | \$ 4,106 | \$ 4,106 |
| | | | | | | | Subtotal: | \$ 88,281 |
| Bike/Ped (funded by streets) | | | | | | | | |
| Kettleman/Lwr Sac/Cherokee bike proj. | \$ 21,350 | \$ 10,327 | | | | | | \$ 31,677 |
| Hutchins/Hwy 12 bike lane | | \$ 180,642 | | | | | | \$ 180,642 |
| Handicap ramp retrofit | | | \$ 4,844 | | | | | \$ 4,844 |
| Sidewalk repair 2001 | | | | | \$ 200,000 | | | \$ 200,000 |
| Lodi Lake bike/ped corridor | | | | | \$ 272,852 | | | \$ 272,852 |
| | | | | | | | Subtotal: | \$ 690,015 |
| | | | | | | | IMF Eligible (shown bold above): | \$ 272,852 |
| | | | | | | | Total: | \$ 778,296 |

Adjustments to the Transit Account Since July 2003

- **Existing Deficit** **\$1,605,916**

- **Less IMF Eligible Transfers:**
 - **Street Projects** **(\$445,826)**
 - **Bike/Ped Project (Lodi Lake)** **(\$272,852)**

- **Remaining Deficit** **\$ 887,238**

Options for Remainder of Deficit

- A) Obtain Measure K advance for future street projects eligible for Streets IMF, use IMF to reimburse Streets/TDA, then transfer to Transit Account:

| <u>Project</u> | <u>Amount</u> | <u>Year</u> | <u>IMF Fund</u> |
|-----------------------|---------------|-------------|------------------------|
| Kettleman Lane | \$150,000 | 2004 | Regional Streets |
| Lower Sacramento Rd. | \$120,000 | 2005 | Storm, Parks & Rec. |
| Century Boulevard | \$205,000 | 2005 | Storm, P&R, Local Str. |
| Ham/Harney Signal | \$150,000 | 2006 | Local Street |
| Lodi Avenue | \$ 75,000 | 2006 | Local Street |
| Veh. Maint. Shop Exp. | \$238,000 | 2006 | Local Street |

Total = **\$938,000**

Options for Remainder of Deficit

- B) Delay other Measure K Local Street Repair funded projects, use MK funds to reimburse Streets/TDA, then transfer to Transit Account:

| | |
|-------------------------------|-------------------|
| Pine Street Overlay (04/05) | \$ 200,000 |
| Turner Road Overlay (05/06) | \$ 550,000 |
| Central City Railroad (05/06) | \$ 137,238 |
| Total = | \$ 887,238 |

Options for Remainder of Deficit

- C) General Fund Capital Transfer

Total= **\$ 887,238**

- D) Combination of A, B, and/or C

Total= **\$ 887,238**

Conclusions

- Transit deficit is real and needs to be dealt with.
- Options are available, need Council direction.
- Procedures are in place so it won't happen again.
- Ability of the transit fund to maintain services and capital projects will depend on future funding levels and costs.